



Ministry of Finance

# Special Refund Fortnight from 31.05.2018 to 14.06.2018

Posted On: 30 MAY 2018 2:57PM by PIB Delhi

Refunds of GST have been a concern for both the Government and Trade for the past several months. Till now, the Government has sanctioned more than Rs 30,000 crore as GST Refund. This includes an amount of Rs 16,000 crore of IGST and Rs 14,000 crore of ITC. The figures of ITC include sanction by both the Central and State Governments. Contrary to the press reports that there has been a dip in refund sanction after the first Refund Fortnight in March 2018, the refund sanctioned during May 2018 is to the tune of Rs 8,000 crore. Refund claims to the tune of Rs 14,000 crore (Rs.7,000 crore on the IGST side and Rs 7,000 crore on account of ITC) are pending with the Government as on date, as against the figure of Rs 20,000 crore projected by FIEO in the press reports. In order to liquidate the pendency, Government is starting a second “Special drive Refund Fortnight” from 31<sup>st</sup> May 2018 to 14<sup>th</sup> June 2018. This time the “Special Drive Refund Fortnight” would facilitate all types of Refund claims in which Customs, Central and State GST officers will strive to clear all GST refund applications received on or before 30.04.2018. This will include refunds of IGST paid on exports, refunds of unutilized ITC and all other GST refunds submitted in FORM GST RFD-01A.

The Central Board of Indirect Taxes and Customs (CBIC) is implementing a solution whereby the refunds held in GSTN, in cases where the exporters have mistakenly declared their export supplies as domestic supplies, would now be transmitted to Customs EDI System. A Circular No 12/2018 dated 29-05-2018 has been issued in this regard. On receipt of the records from GSTN, the Customs System would automatically process the refunds for sanction, if no other errors are committed by exporters.

Circular No 45/19/2018-GST has been issued on 30-05-2018 clarifying matters related to refund claims by an Input Service Distributor, composition dealer, exports of services and supplies made to SEZ. The circular also clarifies issues related to requirement of LUT in cases of export of exempted or non-GST goods and scope of restriction imposed under Rule 96(10).

All claimants may note the refund application in FORM GST RFD-01A will not be processed unless a copy of the application, along with all supporting documents, is submitted to the jurisdictional tax office. Mere online submission is not sufficient.

All GST refund claimants are encouraged to approach their jurisdictional tax authority for disposal of any of their refund claims submitted on or before 30.04.2018, which are still pending. In case the jurisdiction (i.e. Centre or State) has not been defined for a particular claimant, he/she can approach either of the jurisdictional tax authorities.

All IGST refund claimants may register on ICEGATE website, if not already done, to check their refund status. Customs field formations have been directed to gear up for anticipated response of the exporters by diverting additional manpower and infrastructural resources. Exporters are requested to come forward and avail of the opportunity to get the refunds sanctioned during this special drive.

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**DSM/RM/KA**

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