

F.No.B1/6/2013-TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Tax Research Unit

North Block, New Delhi  
25<sup>th</sup> November, 2014

To,

Chief Commissioners of Central Excise and Service Tax (All),  
Commissioners of Service Tax (All),  
Commissioners of Central Excise and Service Tax (All).

Madam/Sir,

**Subject: Procedure of service tax refund/exemption to SEZ-  
reg.**

Certain representations have been received through Ministry of Commerce raising the issue that SEZ unit or developer has to approach two authorities (the SEZ authority and with the Jurisdictional Service Tax authority) for upfront exemption under notification No. 12/2013 dated 01.07.2013 as amended.

2. The issue has been examined. The procedure prescribed under the notification No. 12/2013 dated 01.07.2013 as amended is for proper accounting and monitoring of benefit availed by SEZ Unit and developer under the exemption. Further compliance verification at the service provider's end (in domestic tariff area) would only be feasible if an institutional mechanism for accounting and verification procedure is in place. However, SEZ units and developer may, if they so desire, route their application for issuance of authorization by department through the specified officer of SEZ instead of submitting directly to the department. Similarly SEZ units and developer, may also route quarterly statement in Form A-3 through the specified officer in the SEZ. Notification No. 12/2013 dated 01.07.2013 as amended does not put any restriction in this regard.

3. Accordingly the field formations should not object if such requests/intimations are routed through the specified officer in the SEZ.

Dr. Abhishek Chandra Gupta  
(Technical Officer, TRU)

Copy to: 1. Director General (Service Tax), Director General (Audit).  
2. Director General (Export Promotion).  
3. Joint Secretary (Customs)