SAD Refund

A Golden Oppurtunity

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MEANING

- Levied As Per Section 3(5) Of Custom Tariff Act
- Duty On Import Of Goods.
- Charged @ 4 %.
- To Counterbalance the VAT.
- Boost Domestic Supplies.

SAD REFUND

- Notification No. 102/2007-Customs .
- Exemption To Additional Customs Duty.
- On Imported Goods.
- For Subsequent sale.

CONDITIONS

- Payment of all import duties including SAD.
- Invoice should Indicate that the buyer cannot avail credit of SAD.
- All appropriate sales tax is paid.
- Goods are sold as it is.
- Time Limit – 1 Year From the date of payment of Duty.

PROCEDURE

- Claim to filed on monthly basis.
- Declaration of Non- Admission Of CENVAT Credit.
- Qualification Of Refund Claim – On or Subsequent to 14.9.07
- Additional Documents as prescribed.
- Processing Time – 3 Months

ADDITIONAL DOCUMENTS

On Company's Letter Head

- Annexure A- Calculation of Duty.
- Annexure B- Self Declaration for Claim filed.
- A Letter of Undertaking.
- A covering letter

On CA Letter Head

- Annexure C – Sales Invoice Summary & Calculations
- Annexure D- Undertaking by a CA.

Additional Duty Refund Form.

Original BOE & Custom Duty Payment Challan.

Original Sales Tax Payment Challan.

VAT & Additional Duty Refundable Ledger.

UNJUST ENRICHMENT

- It was felt that it would be expedient to allow the importer to submit a certificate from the statutory auditor/Chartered Accountant who certifies the annual accounts of the importer, that the burden of 4% CVD has not been passed on by the importer to the buyer and to fulfill the requirement of unjust enrichment.
- In addition to the aforesaid the importer shall also make a self-declaration along with the refund claim to the effect that he has not passed on the incidence of 4% CVD to any other person

Miscellaneous Issues

- Payment of VAT by Cash Or Input Tax Credit.
- Submission of Original VAT & Duty Payment Challan.
- Huge of Sales Invoices.
- Subsequent sale is a Tax Free Sale.
- Consignment Agents.

THANK YOU

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