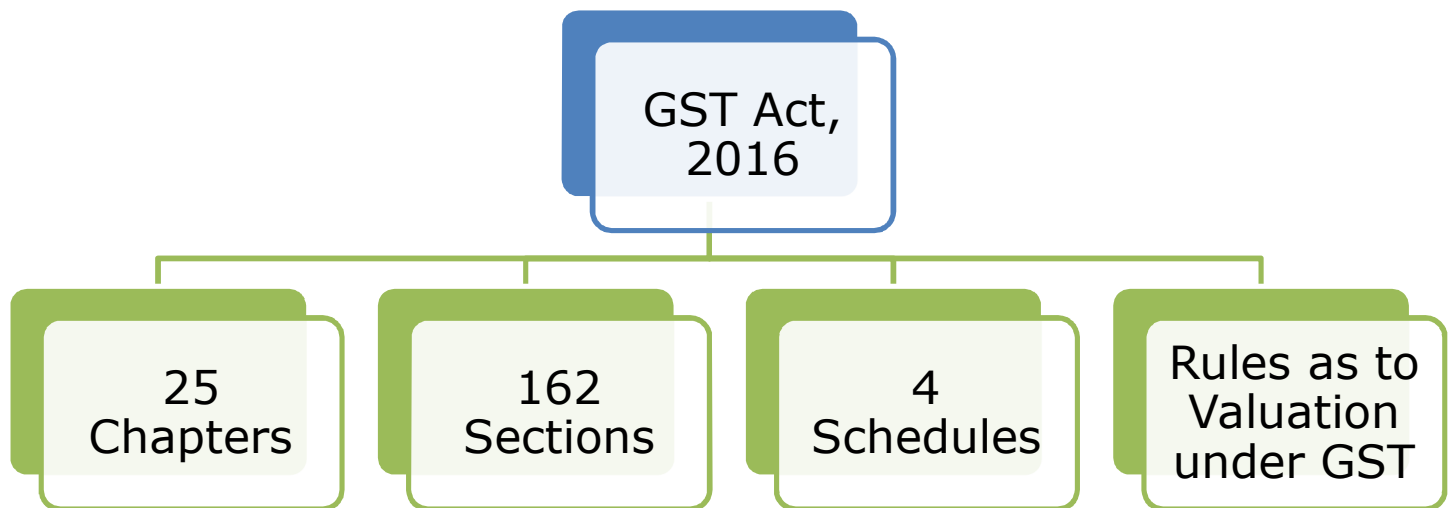


MODEL GST LAW

Goods & Service Tax Act, 2016



CHAPTER I

PRELIMINERY

Section 1: Short title, extent and commencement

1. Central/State GST Act, 2016
2. Extends to whole India/States
3. Come into force from _____ (date appointed by Central/State Govt)

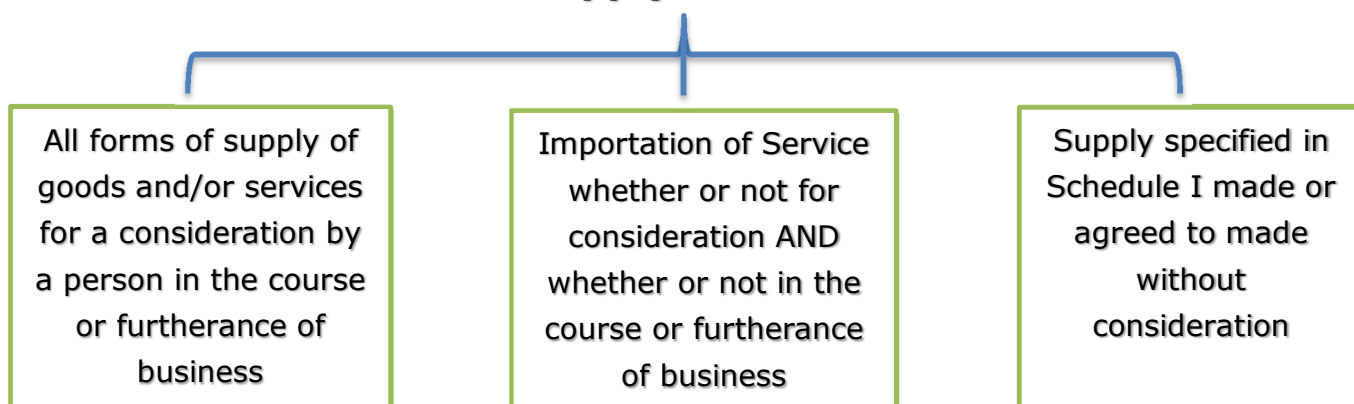
Section 2: Definitions

DEFINITIONS

Section 3: Meaning & scope of supply

1.

Supply includes



2. Schedule II shall apply for determining what is or is to be treated as SUPPLY

2A. Transactions with Agent → **SUPPLY**

3. CG may specify transactions that are
- a. A supply of goods and NOT a supply of services
 - b. A supply of services and NOT a supply of goods
 - c. Neither supply of goods nor supply of service

4. Supply of branded Service → Deemed Supply of Brand Owner

CHAPTER II
ADMINISTRATION

Section 4: Classification of Officers under CGST Act

Principal Chief Commissioners of CGST or Principal Directors General of CGST
Chief Commissioners of CGST or Directors General of CGST
Principal Commissioners of CGST or Principal Additional Directors General of CGST
Commissioners of CGST or Additional Directors General of CGST
First Appellate Authority
Additional Commissioners of CGST or Additional Directors of CGST
Joint Commissioners of CGST or Joint Directors of CGST
Deputy Commissioners of CGST or Deputy Directors of CGST
Assistant Commissioners of CGST or Assistant Directors of CGST
such other class of officers

Section 4: Classification of Officers under SGST Act

Commissioner of SGST
Special Commissioners of SGST
Additional Commissioners of SGST
Joint Commissioners of SGST
Deputy Commissioners of SGST
Assistant Commissioners of SGST
such other class of officers

Section 5: Appointment of officers under CGST Act



Section 6: Powers of Officers under CGST Act

1. The powers & duties conferred or imposed on him under this Act
2. The powers & duties conferred or imposed on his sub ordinate under this Act
3. The Board/Commissioner may delegate his power to any of his subordinate
4. First Appellate Authority shall not exercise the powers & discharge duties conferred or imposed on officer under this Act except those specified in Section 79

CHAPTER III

LEVY OF, AND EXEMPTION FROM, TAX

Section 7: Levy & Collection of Central/State GST

Intra State Supplies of Goods &/or Services Taxable to CGST & SGST.

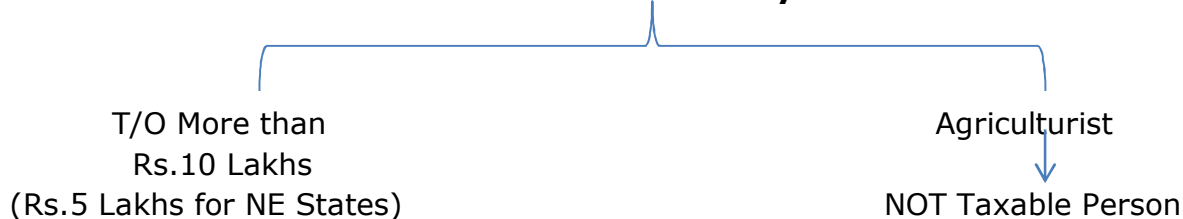
Central or state Government may specify categories of supply on which tax is payable under RCM.

Section 8: Composition Levy

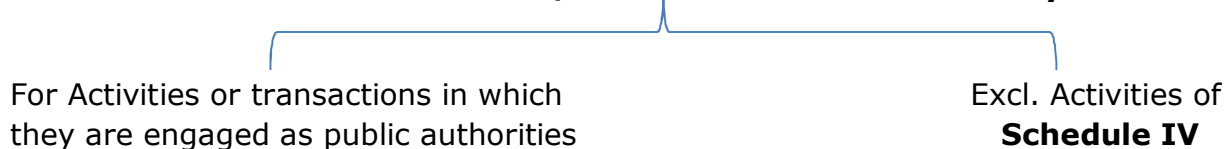
1. Aggregate Turnover $\leq$ Rs.50 Lakhs
2. Tax Rate $\geq$ 1%
3. A taxable person who affects interstate supplies of goods & services is not eligible for composition levy
4. All registered taxable persons having the same PAN should opt for composition levy
5. A taxable person who opt for composition levy shall not charge tax on his invoice/shall not collect tax from the recipient
6. A taxable person who opt for composition levy shall not entitled to credit of input tax

Section 9: Taxable Person

1. Business Entity in India



2. Central/State Govt. or Local Authority



3. NOT TAXABLE Persons

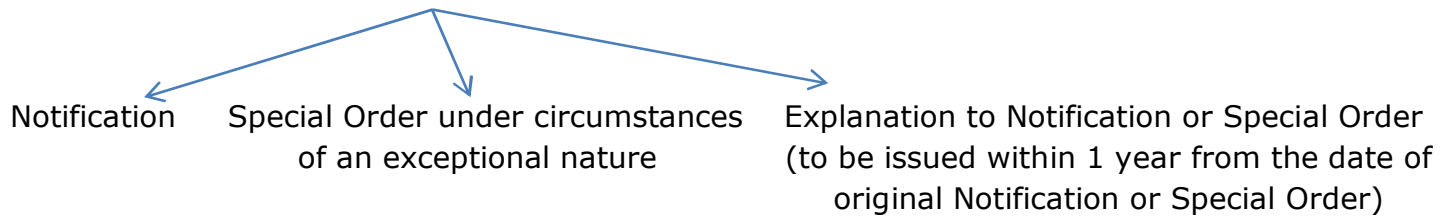
- a. Employee
- b. Person exclusively supplying nontaxable goods and/or services
- c. Person receiving services for personal use on which tax is payable under RCM up to specified limit.

Section 10: Power to Grant Exemption

1. Power to Grant Exemption:

Central or State Government on recommendation of council

2. Modes of granting exemption:



Section 11: Remission of tax on supplies found deficient in quantity

1. Rules for remission to be made by Central/State Govt.
2. Limit for remission / percentage of remission shall be fixed

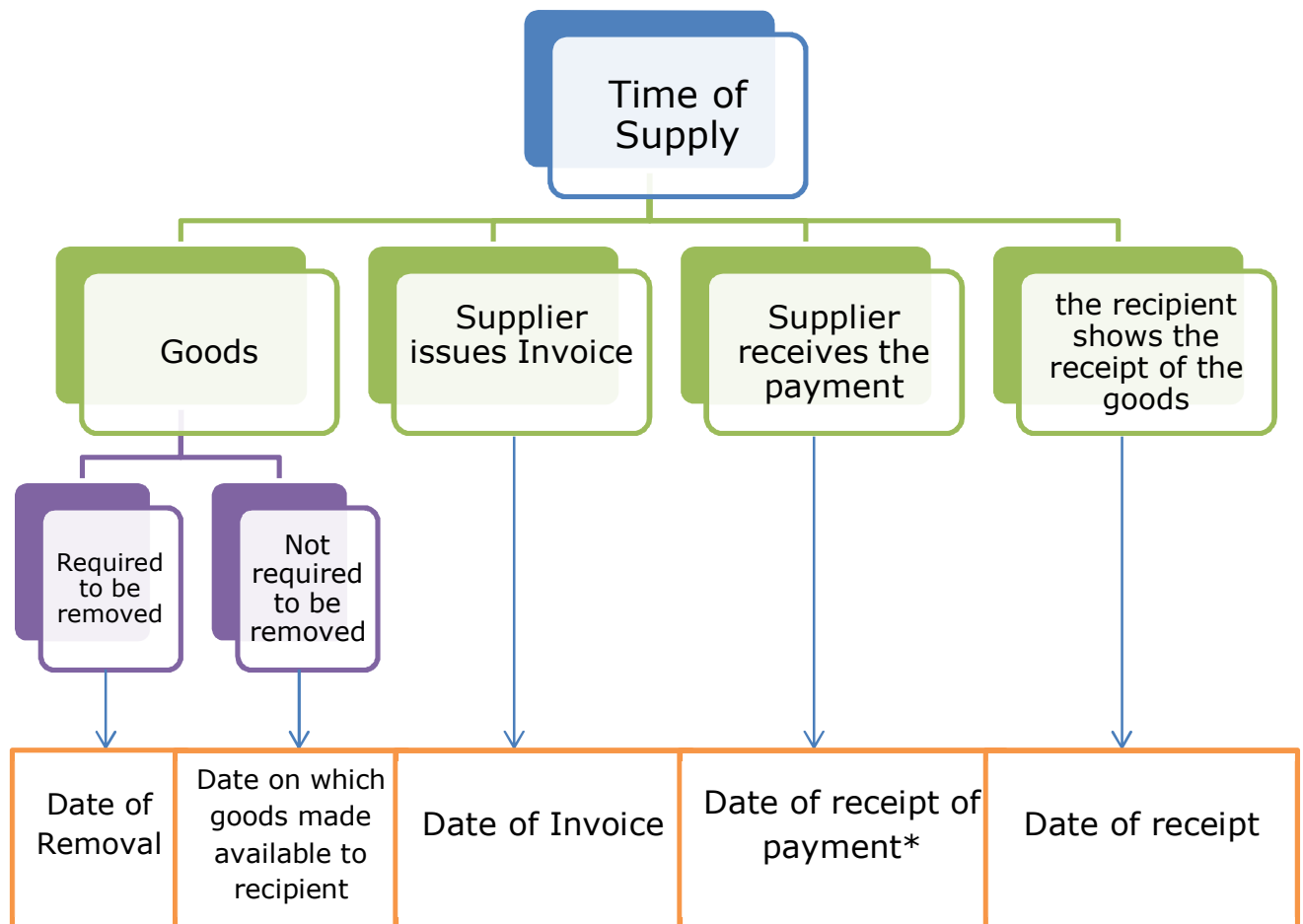
CHAPTER IV

TIME & VALUE OF SUPPLY

Section 12: Time of Supply of Goods

1. Liability to pay CGST/SGST → At the time of supply

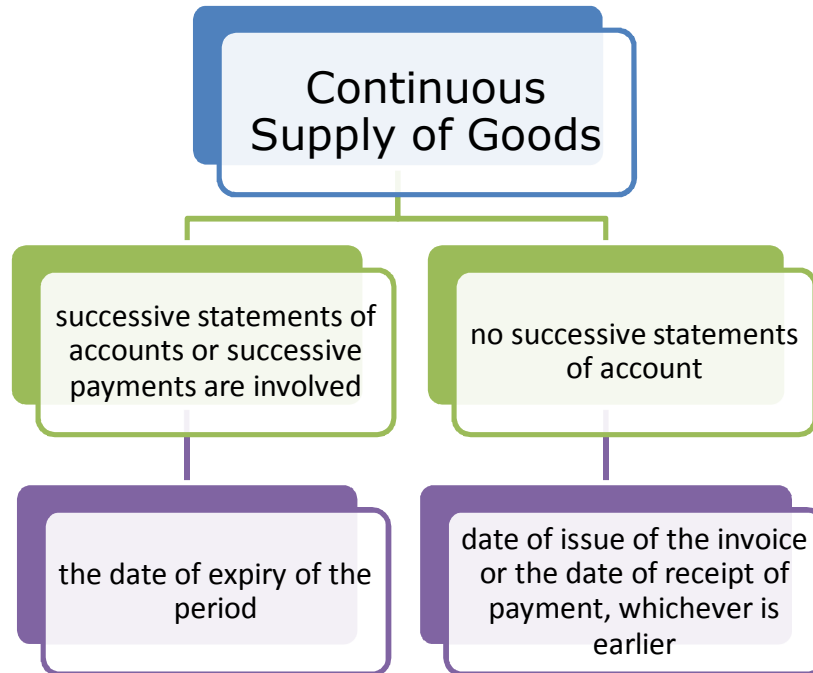
2. Time of Supply



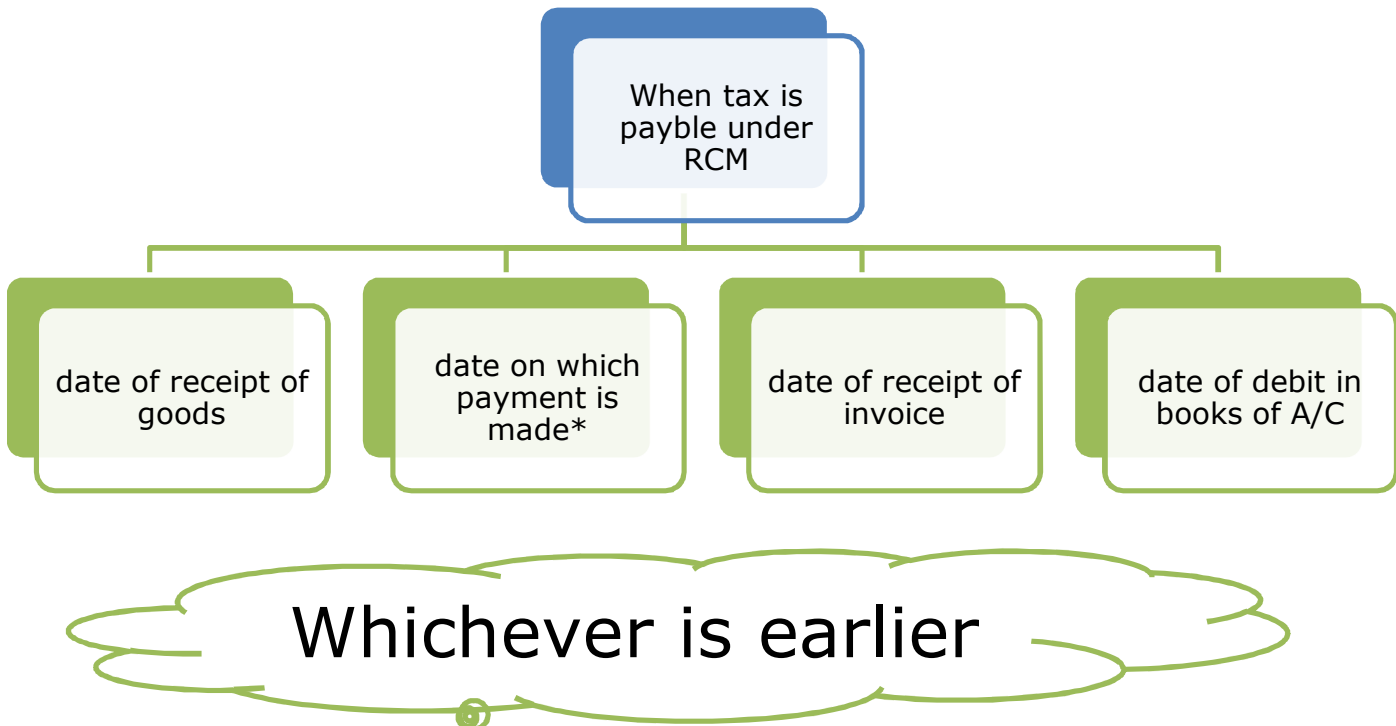
Whichever is earlier

* Date of credit in bank account or date of record of payment in books of accounts whichever is earlier.

3. Continuous Supply of Goods

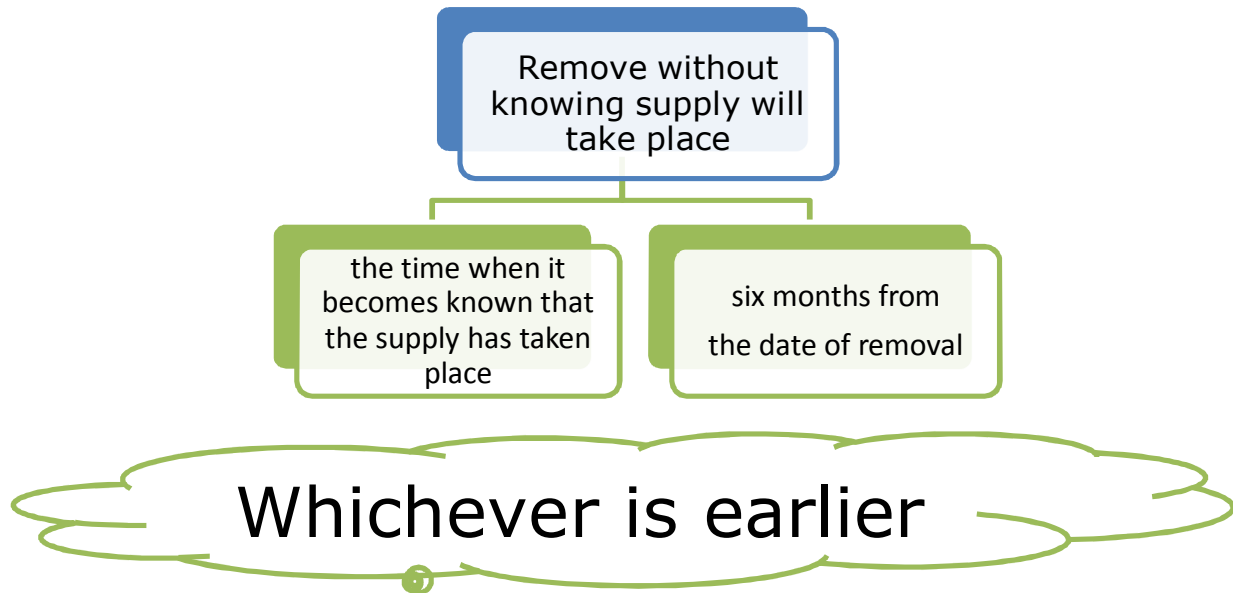


4. Supplies in respect of which tax is paid or liable to be paid on reverse charge basis

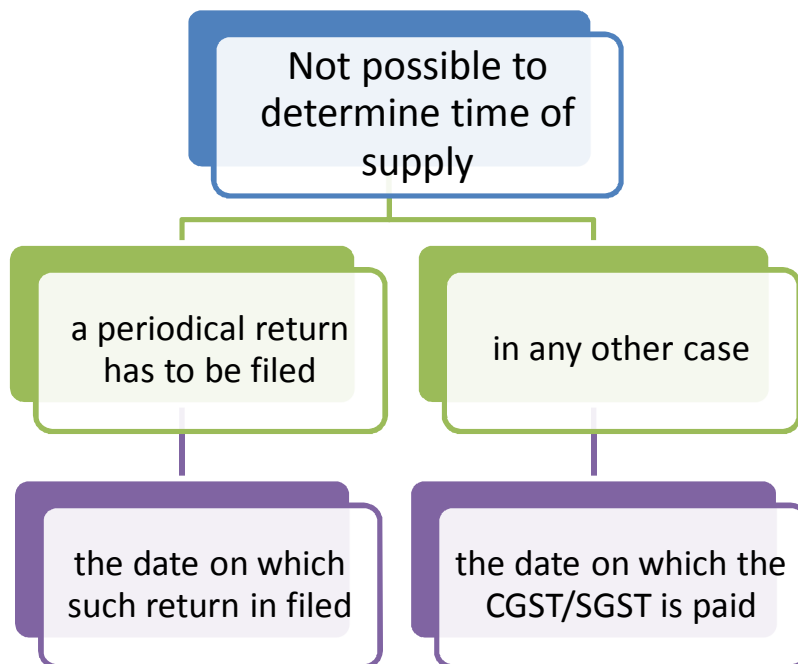


* Date of debit from bank account or date of record of payment in books of accounts whichever is earlier.

5. When goods are removed for (being sent or taken on approval or sale or return or similar terms

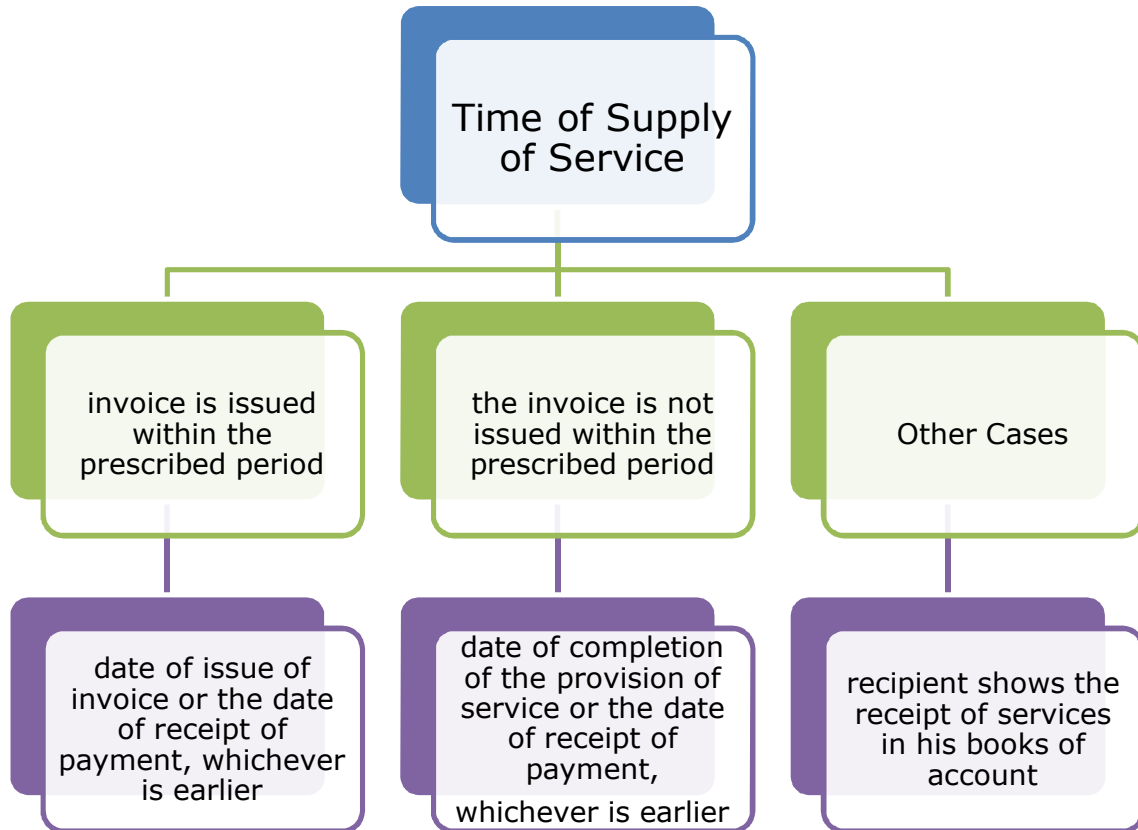


6. Not possible to determine time of supply by aforementioned provisions then,

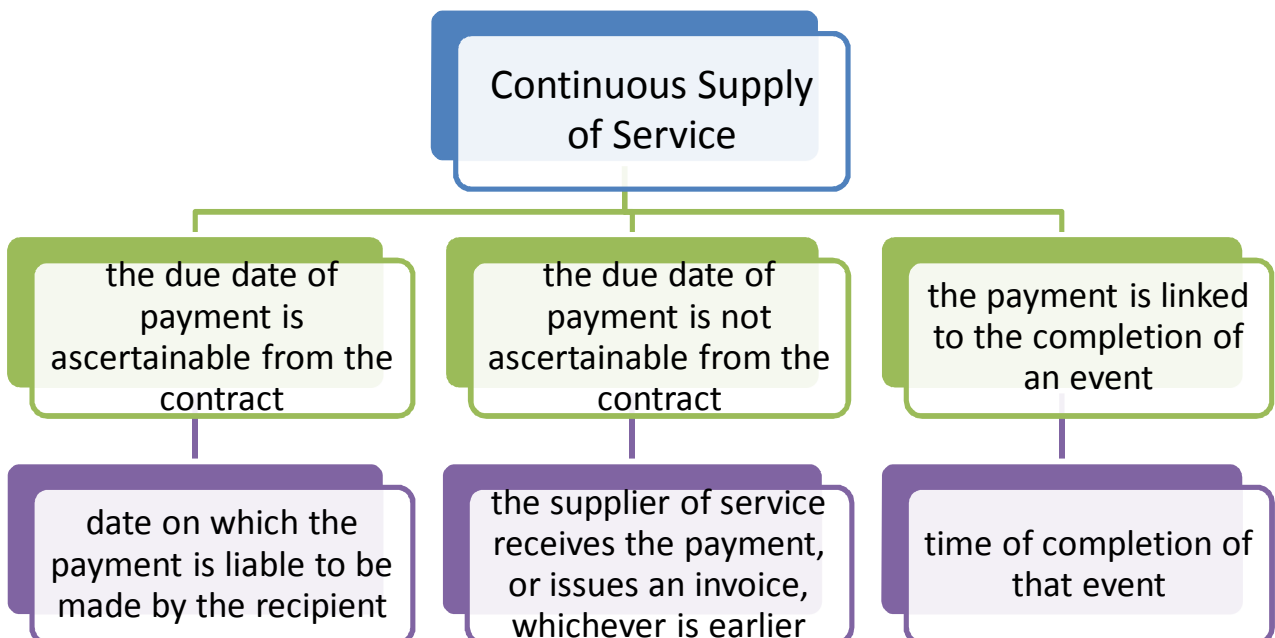


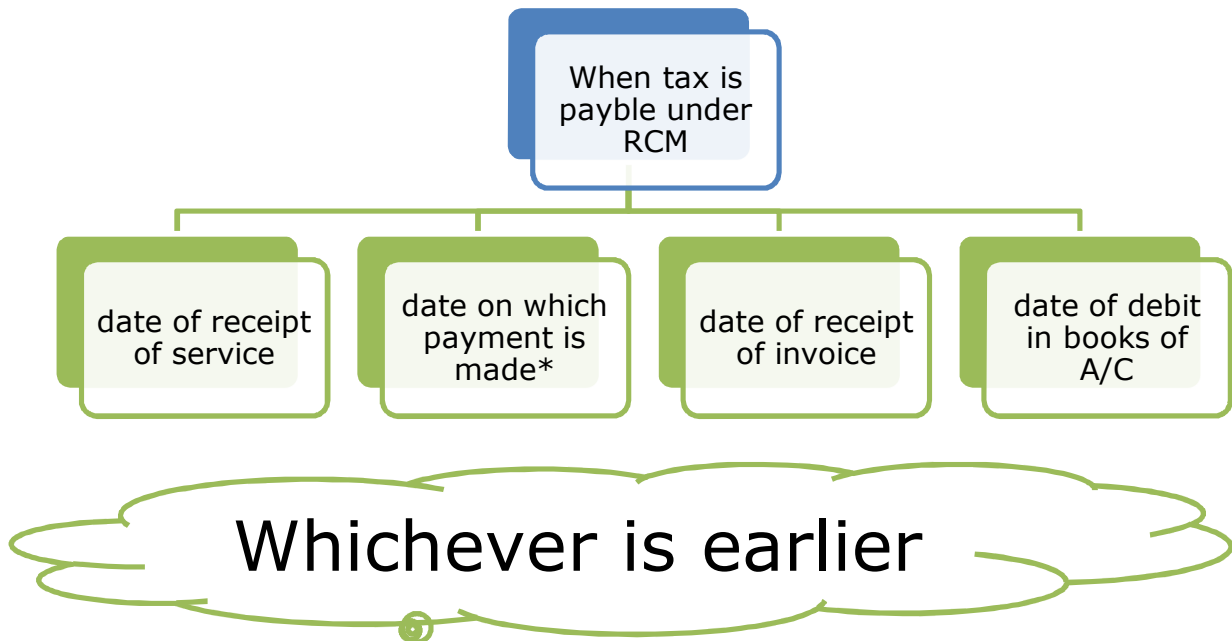
Section 13: Time of supply of services

1. The Liability to pay CGST/SGST → At the time of supply
2. Time of Supply of Service

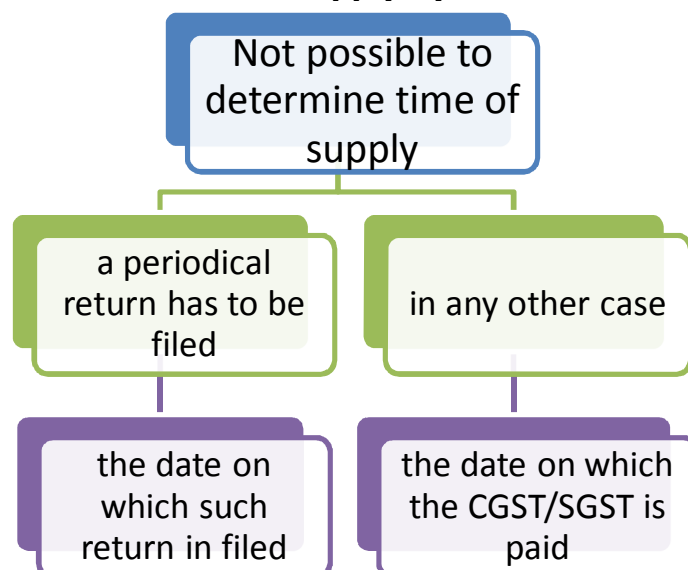


3. Continuous Supply of Service



4. Supplies in respect of which tax is paid or liable to be paid on reverse charge basis**5. When the supply of services ceases under a contract before completion of the supply as per contract**

↓
At the time when supply ceases

6. Not possible to determine time of supply by aforementioned provisions then

Section 14: Change in rate of tax in respect of supply of services

Date of Service	Date of Invoice (DOI)	Date of Payment (DOP)	Time of Supply
Before	After	After	DOI or DOP ↓
Before	Before	After	DOI
Before	After	Before	DOP
After	Before	After	DOP
After	Before	Before	DOI or DOP ↓
After	After	Before	DOI

Section 15: Value of taxable supply

1. Value of Supply = Transaction Value (Paid or Payable) where supplier & recipient are not related parties

2. Transaction Value include-

- Amount paid by recipient w.r.t. supply on behalf of supplier
- Value of goods and/or services supplied by recipient for use in connection with supply
- Royalties & license fees related to supply which recipient must pay
- Any taxes, duties, fees and charges levied under any other statute other than CGST Act, SGST Act & IGST Act
- Incidental Expenses
- Value of subsidies linked to supply
- Expenses incurred by supplier w.r.t. supplies which are reimbursable
- Any discount or incentive allowed after supply

Transaction Value shall not include any discount allowed before or at the time of supply

3. In the following cases value of supply shall be consider according to valuation rules

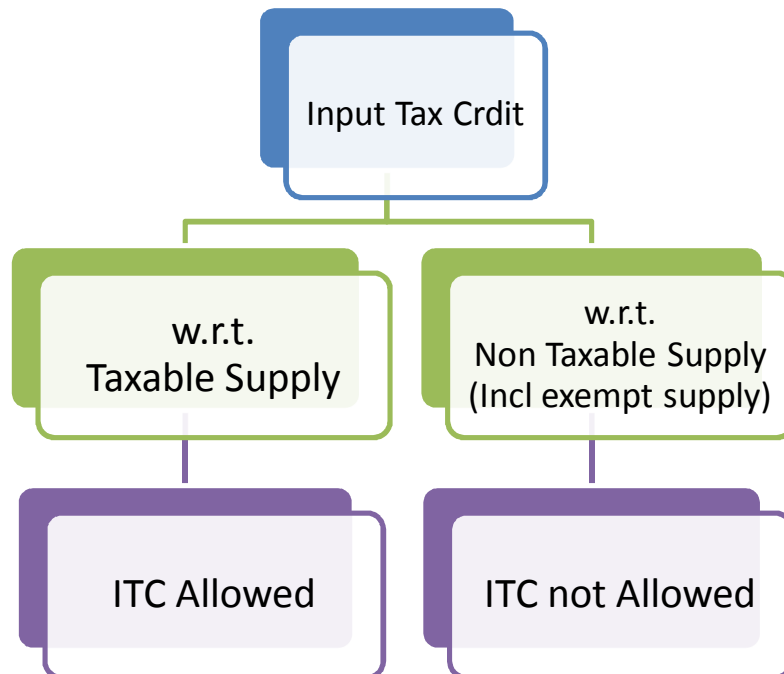
- The consideration paid is party or fully in kind (not money)
- When parties are related
- There is reason to doubt on transaction value declared
- Business transactions undertaken by a pure agent, money changer, insurer, air travel agent and distributor or selling agent of lottery
- Other to be specified

CHAPTER V

INPUT TAX CREDIT

Section 16: Manner of taking input tax credit

1. Input Tax Credit is available to registered taxable person subject to conditions & restriction
2. Input tax credit admissible to registered taxable person shall be credited to his electronic credit ledger
3. A person applied for register can avail input tax credit after registration is granted on raw material, WIP & finished goods held in stock on the immediate preceding day from which his T/O exceeds Rs.10Lakhs.
4. A person applied voluntarily registration can also take input tax credit
5. A taxable person earlier registered in composition scheme can avail input tax credit from the date when he crosses T/O Rs.50Lakhs, also he can avail input tax credit on raw material, WIP & finished goods held in stock on the immediate preceding day from which his T/O exceeds Rs.50 Lakhs
6. Input tax credit is not allowed after one year from date of invoice.
7. Input tax credit is allowed only that part of supply which is used in business.
- 8.



- 9.** Input tax credit shall not available w.r.t
- Motor vehicles except when used in providing following taxable service
 - Transportation of passengers
 - Transportation of goods
 - Imparting training on motor driving skills
 - Goods and/or services used for personal use or consumption of any employee. E.g. food and beverages, outdoor catering, beauty treatment, health services etc.
 - Goods and/or services acquired in execution of works contract of immovable property except plant & machinery.
 - Goods and/or services on which tax is paid under composition levy
- 10.** ITC not allowed on that part of tax component on which depreciation is claimed under IT, Act.
- 11.** Conditions for availing ITC:
- He is in possession of tax paying document (Invoice, Debit Note etc.)
 - He has actually received the goods and/or service
 - Tax is actually paid to appropriate government
 - He has furnished return under section 27

Notes:

- When goods are received in installment, taxable person is entitled to ITC upon receipt last installment
- Goods received by agent are to be treated as goods received by taxable person for this purpose

- 12.** Where a taxable person subsequently opt for composition levy or goods and /or service supplied by him become exempt then he has to pay balance in amount equivalent to ITC on stock of raw material, WIP & finished goods on immediate preceding date of such exemption. ITC balance if any shall lapse.
- 13.** In case of supply of capital goods on which ITC is taken, a taxable person has to pay –

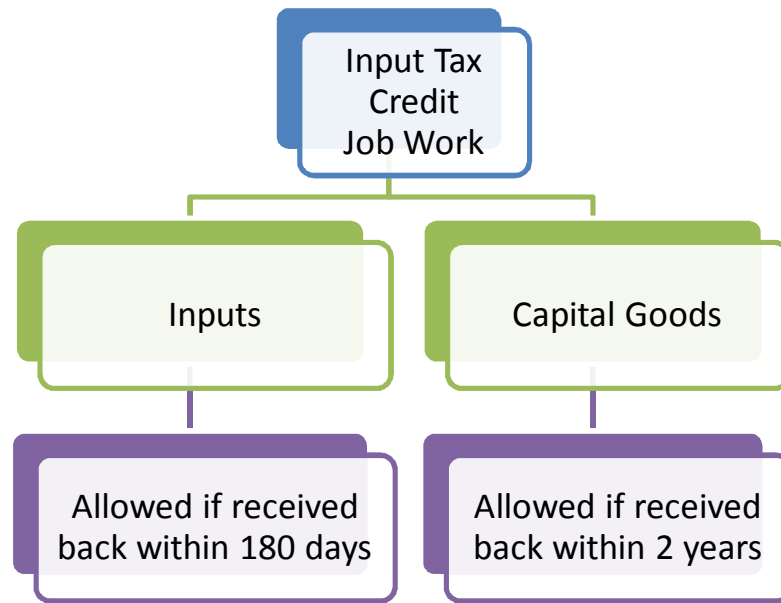
Amount = Equivalent to ITC taken as reduced by %
Or
Tax on Transaction Value

Whichever is higher

- 14. Time limit to take ITC in F.Y.**

30th September, FY
Or
Date of Annual Return for FY

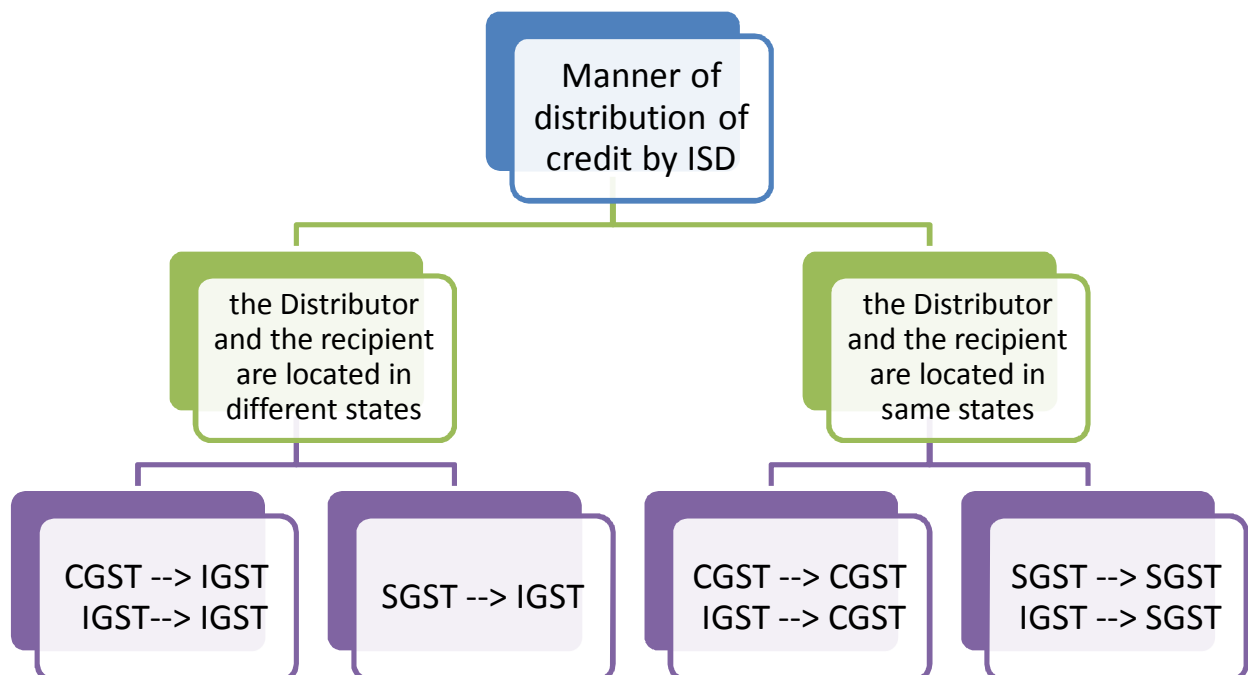
15.

**Notes:**

- ITC shall also be allowed if inputs or capital goods are sent to job worker directly without bringing them to the principle premises.
- If inputs or capital goods are not received within specified time limit then principle shall pay amount equivalent to ITC is to be paid **along with INTEREST**
- Principle can reclaim ITC & interest paid when inputs or capital goods received back.

Section 17: Manner of Distribution of credit by Input Service Distributor

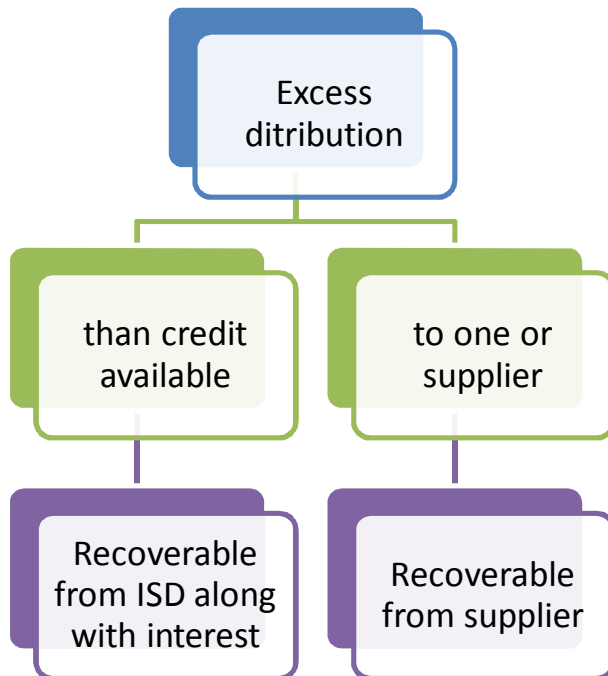
1.



2. Conditions for distribution of Credit by ISD

- a. Credit shall be distributed against prescribed document only
- b. Credit distributed $\leq$ Credit Available
- c. Credit attributable to a particular supplier shall be distributed to him only
- d. When credit is attributable to more than one supplier then such distribution shall be pro rata on the basis of the turnover in a State of such supplier, during the relevant period

Section 18: Manner of recovery of credit distributed in excess



CHAPTER VI

REGISTRATION

Section 19: Registration

1. Person Register under earlier law (other than ISD) need be necessary to apply for fresh registration.
2. Person whose turnover in a state exceeds Rs.9 lakhs shall apply within 30 days in such state.
3. Separate Registration for each business vertical (business segment as per AS 17) may be obtained in each state.
4. Every person (except NRI) shall have PAN at the time of grant of registration.
5. Unique Identity Number shall be obtain/granted by/to specified persons for the purpose notified including refund of taxes paid
6. Proper officer may directs/proceeds with registration of a person whose T/O crosses specified limit (Rs.9 Lakhs)

Section 19A: Casual Taxable Person & NRI

1. Registration Certificate valid for 90 days from the effective date of registration. (can be extend further for maximum 90 days)
2. A casual taxable person or a NRI shall make advance tax payment of estimated tax liability at the time of registration. In case of extension additional tax need to be deposit for estimated tax liability for extended period.
3. Advance tax payment made shall be credited to Electronic Cash Ledger of such person & can be utilize in the manner provided under section 35.3

Section 20: Amendment of registration

1. Amendment shall be possible.

Section 21: Cancellation of Registration

1. Registration can be cancelled by proper officer on his own motion or by application from taxable person or his legal heirs in the following cases:
 - a. the business has been discontinued, transferred fully for any reason
 - b. change in constitution of business
 - c. a taxable person (other than voluntary registered) whose T/O fall below Rs.9 Lakhs

2. The proper officer may cancel the registration by giving SCN & opportunity of being heard in the following cases:
 - a. Taxable person has contravened the provisions of Act
 - b. A taxable person opts for composition levy not furnished returns for three consecutive tax period
 - c. Other taxable person not furnished returns for consecutive six months
 - d. Person taken voluntary registration but not started his business within six months from the effective date of registration
 - e. Registration obtained by fraud, willful misstatement, suppression of facts etc.
 3. The cancellation under any one Act (CGST or SGST) will also affect the same in other (SGST or CGST).
 4. On cancellation of registration, taxpayer shall pay-
 - a. **Tax on inputs**
Amount of ITC available on RM/WIP/FG on immediate preceding date
Or
Amount of output tax payable on such goods

WHICHEVER IS HIGHER
 - b. **Tax on capital goods**
Amount = Equivalent to ITC taken as reduced by %
Or
Tax on Transaction Value

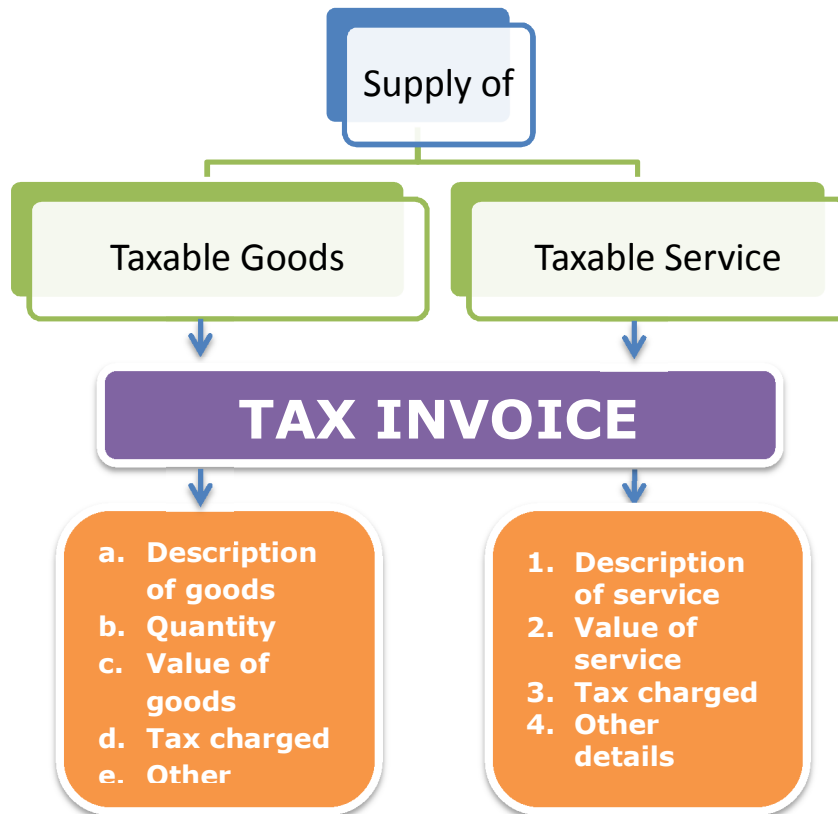
Whichever is higher
- 

Section 22: Revocation of cancellation of invoice

1. Registered taxable person can apply for revocation of cancellation of registration within 30 days from the date of service of order for cancellation of registration.

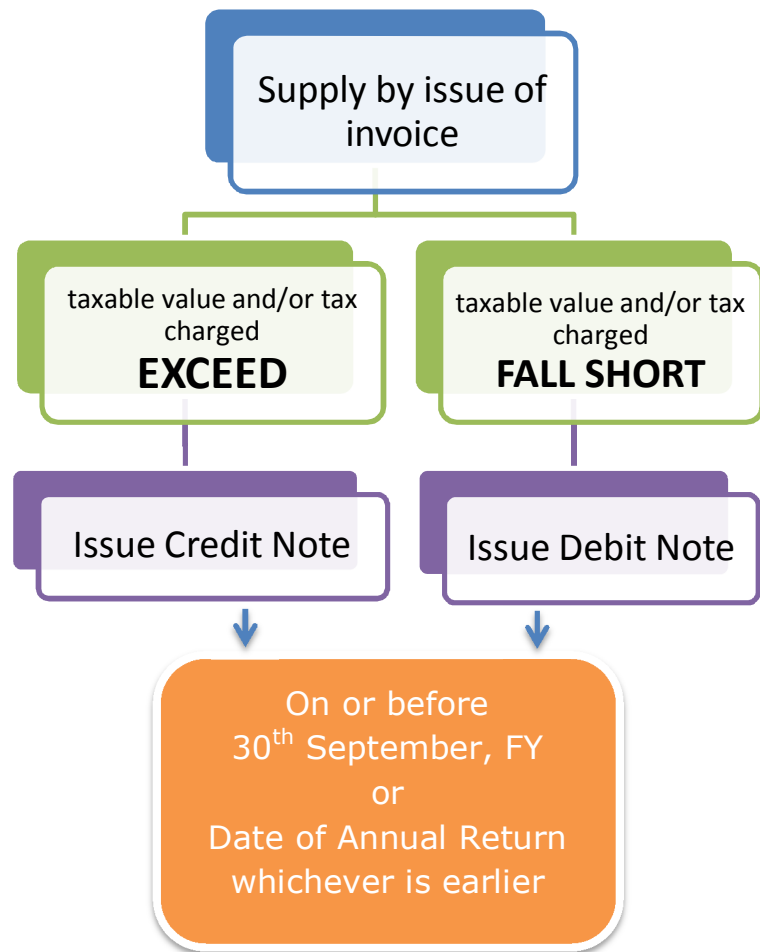
CHAPTER VII**TAX INVOICE, CREDIT & DEBIT NOTES****Section 23: Tax Invoice**

1. A registered taxable person shall prepare tax invoice at the time of taxable supply.
- 2.



3. For supply of non-taxable goods and/or service a bill of supply shall be issue. Also for supply by a person under composition levy a bill of supply shall issue.
4. Tax invoice deemed to include document issued by IDS, supplementary invoice, revised invoice.

Section 24: Credit Note and Debit Note



CHAPTER VIII

RETURNS

Section 25: Furnishing details of outward supplies:

1. Every registered taxable person other than ISD & a person paying tax under composition levy shall furnish details of outward supplies of goods and/or service affected during tax period on or before 10th day of succeeding month.
2. Such details shall be communicated to the recipient of said supplies within the time specified.
3. Board/Commissioner of State GST may with approval of Commissioner of State GST/Board extend time limit for furnishing such details.
4. Details of outward supply includes zero-rated supply, inter-state supplies, return of goods received in relation to/ in pursuance of an inward supply, exports, debit notes, credit notes and supplementary invoices issued during the said tax period.
5. On discovery of error or omission in details furnished, a taxable person may rectify such error or omission and shall pay tax & interest in case of short payment of tax.
6. No rectification is allowed after:

**30th September, FY
or
Date of Annual Return
whichever is earlier**



Section 26: Furnishing details of inward supplies:

1. Every registered taxable person other than ISD & a person paying tax under composition levy shall furnish details of inward supplies of goods and/or service and debit or credit notes based upon details of outward supplies under section 25 on or before 15th day of succeeding month.
2. A taxable person can verify, validate, modify, delete or add details of his inward supplies to the details of outward supplies under section 25.
3. Board/Commissioner of State GST may with approval of Commissioner of State GST/Board extend time limit for furnishing such details.
4. On discovery of error or omission in details furnished, a taxable person may rectify such error or omission and shall pay tax & interest in case of short payment of tax.
5. No rectification is allowed after:

**30th September, FY
or
Date of Annual Return
whichever is earlier**



Section 27: Return

1. Every register taxable person shall furnish return of inward & outward supplies of goods and/or services, input tax credit availed, tax payable, tax paid and other particulars as may be prescribed on or before 20th day of succeeding month.
2. A person paying tax under composition scheme shall furnish such return quarterly on or before 18th day of succeeding month.
3. A taxable person is not allowed to file return if valid return for any previous tax period has not been filed.
4. Tax due if any shall pay to the credit of government on or before 20th day of succeeding month.
5. A return without payment of full tax due shall be treated as invalid return for ITC on outward supplies by such person available to the recipient.
6. Even if supply of goods and/or service is nil, a registered taxable person is required to file NIL return.
7. A registered taxable person who deducted tax at source shall furnish a return on or before 10th day of succeeding month along with payment of tax.
8. ISD shall furnish monthly return on or before 13th day of succeeding month.
9. On discovery of error or omission in details furnished, a taxable person may rectify such error or omission and shall pay tax & interest in case of short payment of tax.
10. No rectification is allowed after:

30th September, FY
or
Date of Annual Return
whichever is earlier



Section 27A: First Return

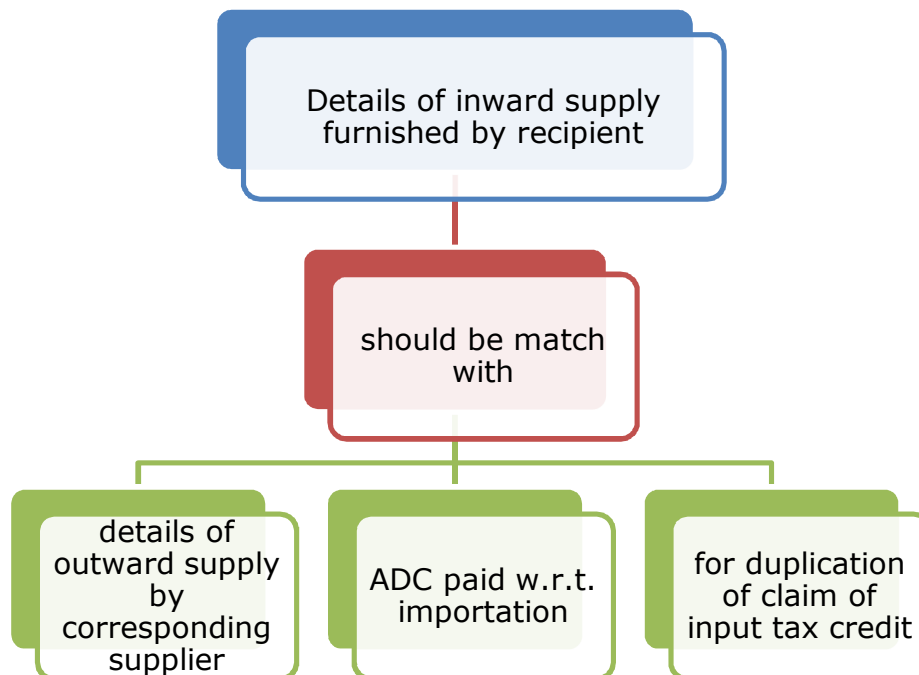
1. Every taxable person paying tax under section 7 shall furnish first return .
2. This return contains details of
 - a. Outward supplies under section 25 **from** the date when he became liable to registration **to** the end of month in which registration has been granted.
 - b. Inward supplies under section 26 **from** the date of effective registration **to** the end of month in which registration has been granted.
3. If taxable person paying tax under composition levy then **from** the date when he became liable to registration **to** the end of quarter in which registration has been granted.

Section 28: Claim of tax credit and provisional acceptance thereof

1. Every taxable person entitled to ITC based on self-assessment in his return subject to conditions & restrictions.
2. Such amount shall be credited to his electronic credit ledger
3. A taxable person who has not furnished valid return shall not be allowed to utilize ITC till he discharges his self-assessed tax liability.

Section 29: Matching, reversal and reclaim of ITC.

1.



2. The claim of ITC that match as in (1) above, shall be finally accepted & communicated to the recipient.
3. The claim of ITC that not match as in (1) above i.e. excess ITC claim or outward supply if not declared by supplier then discrepancy shall be communicated to the supplier & recipient both.
4. Duplication of claim shall be communicated to recipient.
5. When discrepancy is communicated as above but not rectified by supplier then it shall be added to the output tax liability of recipient in his return for the month succeeding the month in which discrepancy is communicated.
6. The ITC claimed in excess on account of duplication of claim shall be added to the output tax liability of recipient in his return for the month in which duplication is communicated.
7. Recipient shall reduce his output tax liability by amount added (in SI 5) if supplier declared details of invoice & debit notes in his valid returns within specified time.

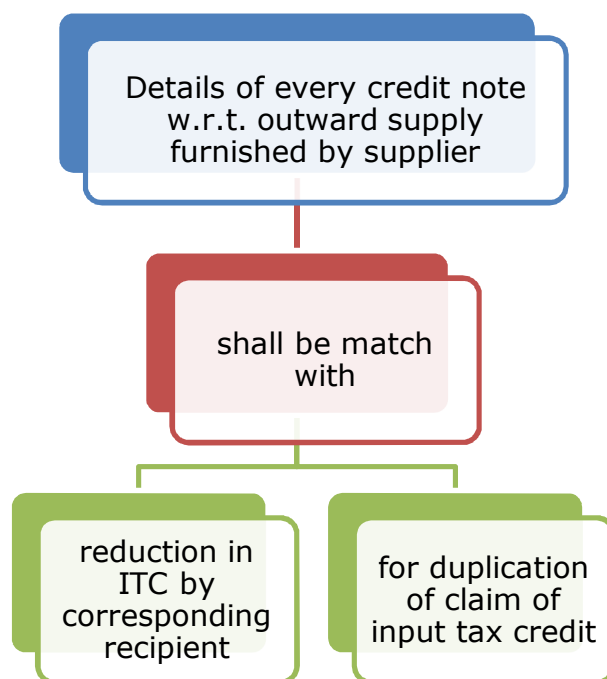
8. A recipient in whose output tax liability has been added (in SI 5) shall be liable to pay interest on such addition from the date of availing credit till the corresponding additions.
9. If reduction in liability (in SI 7) is accepted then interest paid on the same shall be refunded to the recipient by crediting electronic cash ledger.

Amount of refund $\leq$ Amount of interest paid.

10. Amount reduced from output tax liability in a manner other than (in SI 7) shall be added to the output tax liability of recipient & shall be liable to interest.

Section 29A: Matching, reversal and reclaim of reduction in output tax liability

1.



2. The claim of reduction in output tax liability by supplier that match with corresponding reduction in ITC by recipient shall be finally accepted & communicated to supplier.
3. The reduction in output tax liability that not match as in (1) above i.e. excess reduction or credit note if not declared by recipient then discrepancy shall be communicated to the supplier & recipient both.
4. Duplication of claim shall be communicated to supplier.
5. When discrepancy is communicated as above but not rectified by recipient then it shall be added to the output tax liability of supplier in his return for the month succeeding the month in which discrepancy is communicated.

6. The excess reduction in output tax liability on account of duplication of claim shall be added to the output tax liability of supplier in his return for the month in which duplication is communicated.
7. Supplier shall reduce his output tax liability by amount added (in SI 5) if recipient declared details of credit notes in his valid returns within specified time.
8. A supplier in whose output tax liability has been added (in SI 5) shall be liable to pay interest on such addition from the date of reduction in liability till the corresponding additions.
9. If reduction in liability (in SI 7) is accepted then interest paid on the same shall be refunded to the recipient by crediting electronic cash ledger.

Amount of refund ≤ Amount of interest paid.

10. Amount reduced from output tax liability in a manner other than (in SI 7) shall be added to the output tax liability of supplier & shall be liable to interest.

Section 30: Annual Return

1. Person liable to file annual return
Every taxable person excluding-
 - a. Input Service Distributor
 - b. A deductor of TDS under section 37
 - c. A casual taxable person
 - d. A non-resident taxable person
2. Form for filing annual return --- TO BE NOTIFIED
3. Due Date --- on or before 31st December following the end of FY
4. A taxable person who is required to get his accounts audited under section 42 shall furnish annual return along with audited copy of accounts & a reconciliation statement of value of supply in the return with audited annual financial statement.

Section 31: Final Return

1. **Person liable to file return**
Every taxable person who applies for cancellation of registration
2. **Due Date**

**Within 3 months from the date of cancellation
or
date of cancellation order
Whichever is earlier**



Section 32: Notice to return defaulters

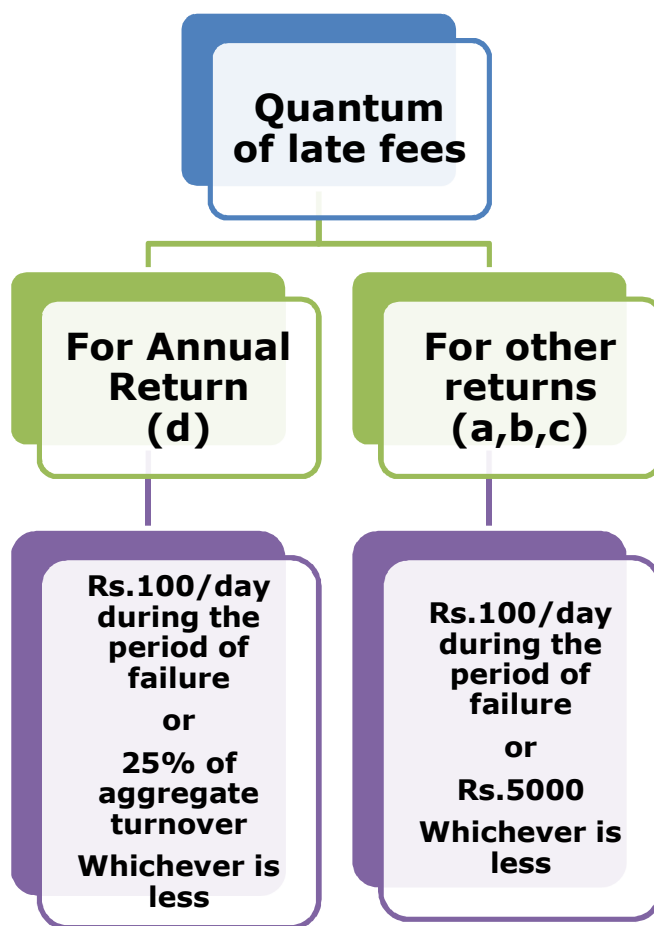
A taxable person who failed to submit return under section 27, a notice shall be issued requiring him to furnish such return

Section 33: levy of late fees

1. For non-submission of following by due date :

- Details of inward & outward supply under section 25 & 26 respectively
- Monthly return under section 27
- Final Return under section 31
- Annual Return under section 30

2.



Section 34: Tax Return Preparer

1. Authority to appoint

The Appropriate Government

2. Conditions, Eligibility, duties. Obligation etc

To be prescribed

3. Appointment by taxable person

In the manner specified

4. Scope

- a. Details of inward & outward supply under section 25 & 26 respectively
- b. Monthly return under section 27
- c. Final Return under section 31
- d. Annual Return under section 30
- e. Other tasks

5. Responsibility

Continue to rest with the registered taxable person on whose behalf such return and details are filed

CHAPTER-IX PAYMENT OF TAX

Section 35: payment of tax, interest, penalty & other amount

1. Manner of payment

- a. Internet Banking
- b. Debit or credit card
- c. NEFT
- d. RTGS
- e. By any other mode subject to condition & restrictions

2. The amount paid shall be credited to electronic cash ledger of taxable person

3. **Date of deposit:** date of credit to the account of appropriate Government.

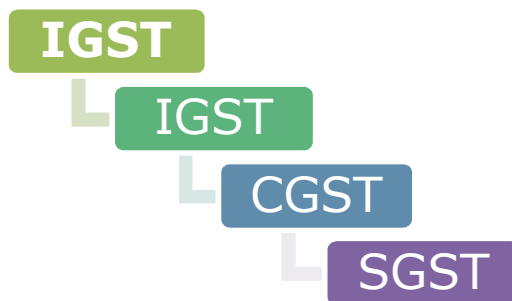
4. Tax paid by utilizing ITC shall be credited to electronic credit ledger of taxable person.

5. The amount available in the electronic cash ledger may be used for making any payment towards tax, interest, penalty, fees or any other amount payable.

6. The amount available in the electronic credit ledger may be used for making any payment towards tax payable.

7. Manner of utilization of ITC

a. IGST:



b. CGST:



c. SGST:



d. Cross utilization of Credit between CGST & SGST: NOT ALLOWED



8. The balance in credit or cash register after payment may be refunded in accordance with provisions of section 38.
9. **Order for discharging tax liability:**
 - a. Self-assessed tax & other dues of previous tax periods
 - b. Self-assessed tax & other dues of current tax periods
 - c. Any other amount payable including demand determined under section 51.

Section 36: Interest on delayed payment of tax:

1. **Interest is payable on:**
 - a. Failure to pay tax or part thereof on due date
 - b. Undue or excess claim of ITC
2. **Rate of Interest:** To be notified
3. **Period:** From 1st day after due date to actual date of payment

Section 37: Tax deduction at source

1. **Person liable to deduct tax:**
 - a. A department or establishment of Central or State Government
 - b. Local authority
 - c. Government agencies
 - d. Others as notified
2. **Rate of Tax:** 1%
3. **Value of supply:** More than Rs.10 Lakhs under a contract (excluding tax indicated on invoice).
4. **Due Date of payment:** 10th of following month in which such deduction is made.
5. Deductor shall furnish certificate to deductee within 5 days of payment of TDS which contains:
 - a. Contract Value
 - b. Rate of deduction
 - c. Amount deducted
 - d. Amount paid to appropriate Government
 - e. Other details
6. If deductor fails to issue certificate within prescribed time limit, the deductor shall be liable to pay penalty as follows:

**Rs.100/day of default
Or
Rs.5000/-
whichever is less**

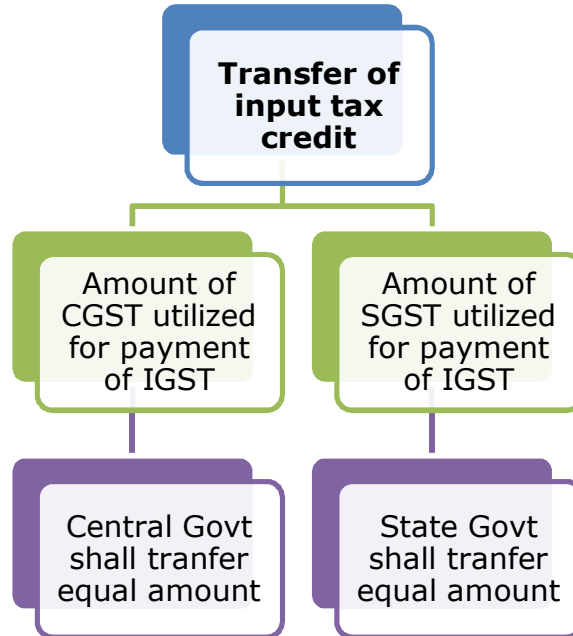


7. The deductor shall claim credit of TDS in his electronic cash ledger.

CHAPTER IXA

TRANSFER OF INPUT TAX CREDIT

Section 37A: Transfer of input tax credit



CHAPTER XI

ACCOUNTS & RECORDS

Section 42: Accounts & other records

1. Records to be maintained

- a. Account of production or manufacture of goods
- b. Inward or outward supply of goods and/or services
- c. Stock of goods
- d. Input tax credit availed
- e. Output tax payable & paid
- f. Other details as may be prescribed

2. Where to keep records?

- a. At principal place of business mentioned in registration certificate.
- b. If more than one place is mentioned then records of each place shall be kept at such place.

3. Commissioner/Chief Commissioner may notify class of taxable persons to maintain additional accounts/records.

4. Every registered person whose turnover exceeds the prescribed time limit shall get his accounts audited by a Chartered Accountant or Cost Accountant and shall submit audited statements of accounts & reconciliation statement.

Section 43: Period of retention of accounts

1. Books of accounts & records shall be maintain for a period of sixty months from the last date of filing Annual Return
2. A taxable person who is a party to an appeal or revision or any other proceeding shall retain books of accounts till

**End of one year from the date of disposal of appeal/revision/proceeding
or
in SI 1
whichever is later**



CHAPTER X REFUNDS

Section 38: Refund of tax

1. What is eligible for refund:
 - a. Tax
 - b. Interest on tax
 - c. Any other amount paid
2. Time limit to claim refund:
 - a. Refund shall be claim within 2 years from the **RELEVANT DATE**
 - b. Limitation of 2 years not apply when duty is paid under protest
3. **RELEVANT DATE** means:

Situation	Relevant Date
<u>Export of goods out of India</u>	
a. By sea or air	Date on which goods are loaded, leave India
b. By land	Date on which goods pass the frontier
c. By post	Date of dispatch of goods by PO to a place outside India
Deemed Export	Date of filing of return relating to such transaction
Goods are returned for rework	Date of entry into place of business for rework
<u>Export of Service out of India</u>	
a. Supply ✓ Receipt ×	Date of receipt of payment in convertible Forex
b. Invoice × Receipt ✓	Date of issue of invoice

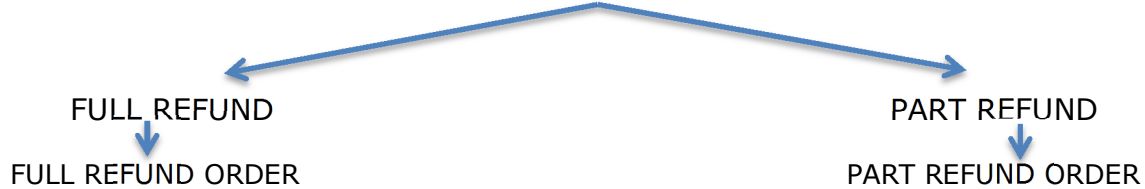
4. To whom application is to be filed:
 - a. To proper officer of IGST/CGST/SGST
 - b. In the manner specified
5. When to claim refund:
 - a. A taxable person may claim refund at the end of any unutilized input tax credit at the end of any tax period
6. Conditions for claiming refund:
 - a. Unutilized input tax credit shall be w.r.t. export

- b. No refund of unutilized input tax credit shall be allowed when exports are subject to export duty
- c. Credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on outputs

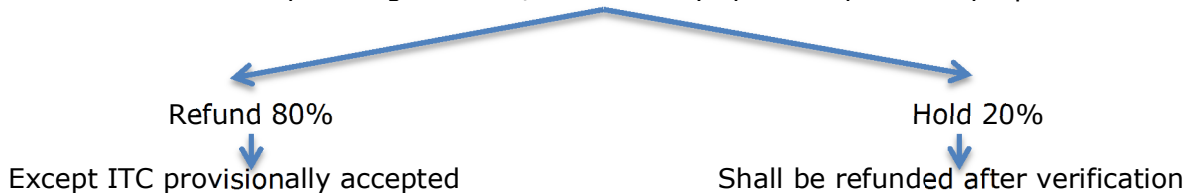
7. Application should be accomplished by documentary evidence to establish that:

- a. Refund is due to the applicant
- b. Amount of tax & interest on tax if any is paid by applicant and same is not collected from him from any other person.
- c. If amount claimed as refund is less than Rs. 5 Lakhs, then a declaration stating that such tax & interest has not been passed on to any other person

8. Determination of amount of refund



9. For refund claim of export of goods and/or service by specified person a proper officer may



10. Time limit to issue refund order:

Within 90 days from the date of application

11. In the following cases refund may be directly credited to applicants account:

- a. Refund of tax on goods and/or services exported out of India or used in goods and/or services exported out to India.
- b. Refund of unutilized input tax credit (SI 5)
- c. If burden is not passed to any other person
- d. Tax & interest borne by such other persons specified

12. When refund order is subject matter of an appeal or proceeding then refund may be withheld till such time as may be determine.

13. A taxable person is entitled to interest on amount of refund withheld if appeal is in favor of taxable person

14. No refund is allowed if amount of refund is less than Rs.1000/-