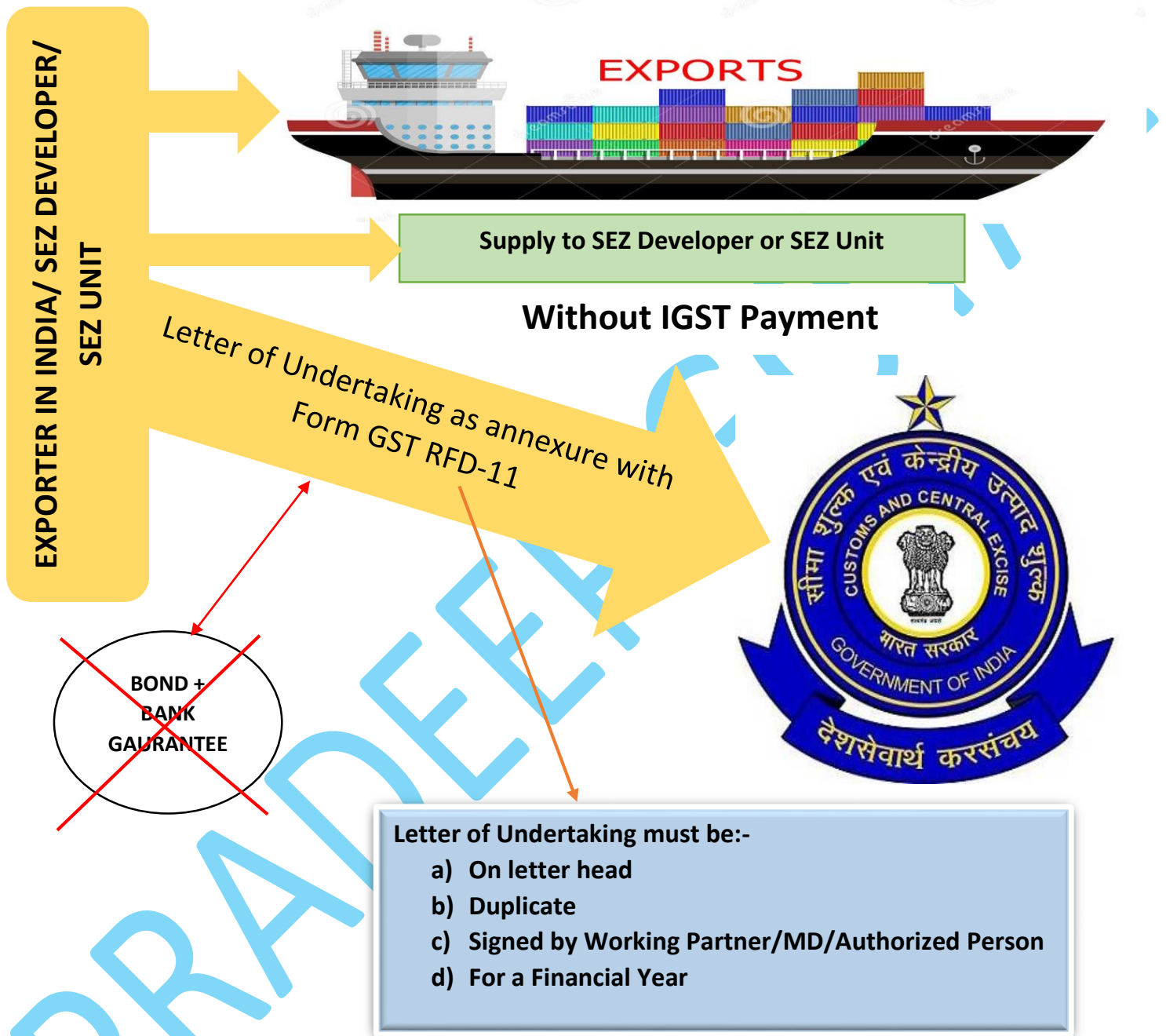


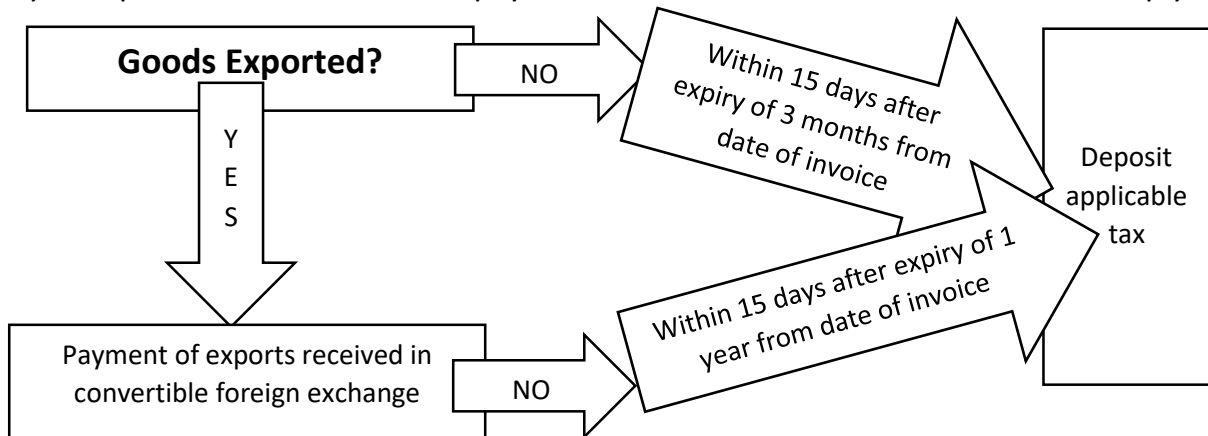
## EXPORT PROCEDURE IN GST

Circular no.8/8/2017-GST dated 04.10.2017 issued by GST Policy Wing & Notification No. 37 /2017 – Central Tax dated 4th October, 2017- [F. No. 349/74/2017-GST (Pt.) Vol.-II]

(Supersession of notification No. 16/2017- Central Tax, dated the 7th July, 2017)



➤ Facility of Exports under LoU without payment of IGST will be withdrawn if don't comply below



## Other Important Points

- ❖ Three circulars in this matter, namely Circular No. 2/2/2017 – GST dated 5th July, 2017, Circular No. 4/4/2017 – GST dated 7th July, 2017 and Circular No. 5/5/2017 – GST dated 11th August, 2017, which were issued for providing clarity on the procedure to be followed for export under bond/LUT, are revised and consolidated in this circular no. 8/8/2017-GST dated 04 October, 2017.

- ❖ **Eligibility to export under LUT**

All registered persons who intend to supply goods or services for export without payment of integrated tax except those who have been prosecuted for any offence under the CGST Act or the Integrated Goods and Services Tax Act, 2017 or any of the existing laws and the amount of tax evaded in such cases exceeds two hundred and fifty lakh rupees.

(Unlike Notification No. 16/2017-Central Tax dated 7th July, 2017 which extended the facility of export under LUT to status holder as specified in paragraph 5 of the Foreign Trade Policy 2015-2020 and to persons receiving a minimum foreign inward remittance of 10% of the export turnover in the preceding financial year which was not less than Rs. one crore).

- ❖ **Documents for LUT**

Self-declaration to the effect that the conditions of LUT have been fulfilled shall be accepted unless there is specific information otherwise. That is, self-declaration by the exporter to the effect that he has not been prosecuted should suffice for the purposes of Notification No. 37/2017- Central Tax dated 4 th October, 2017. Verification, if any, may be done on post-facto basis.

- ❖ **Time for acceptance of LUT**

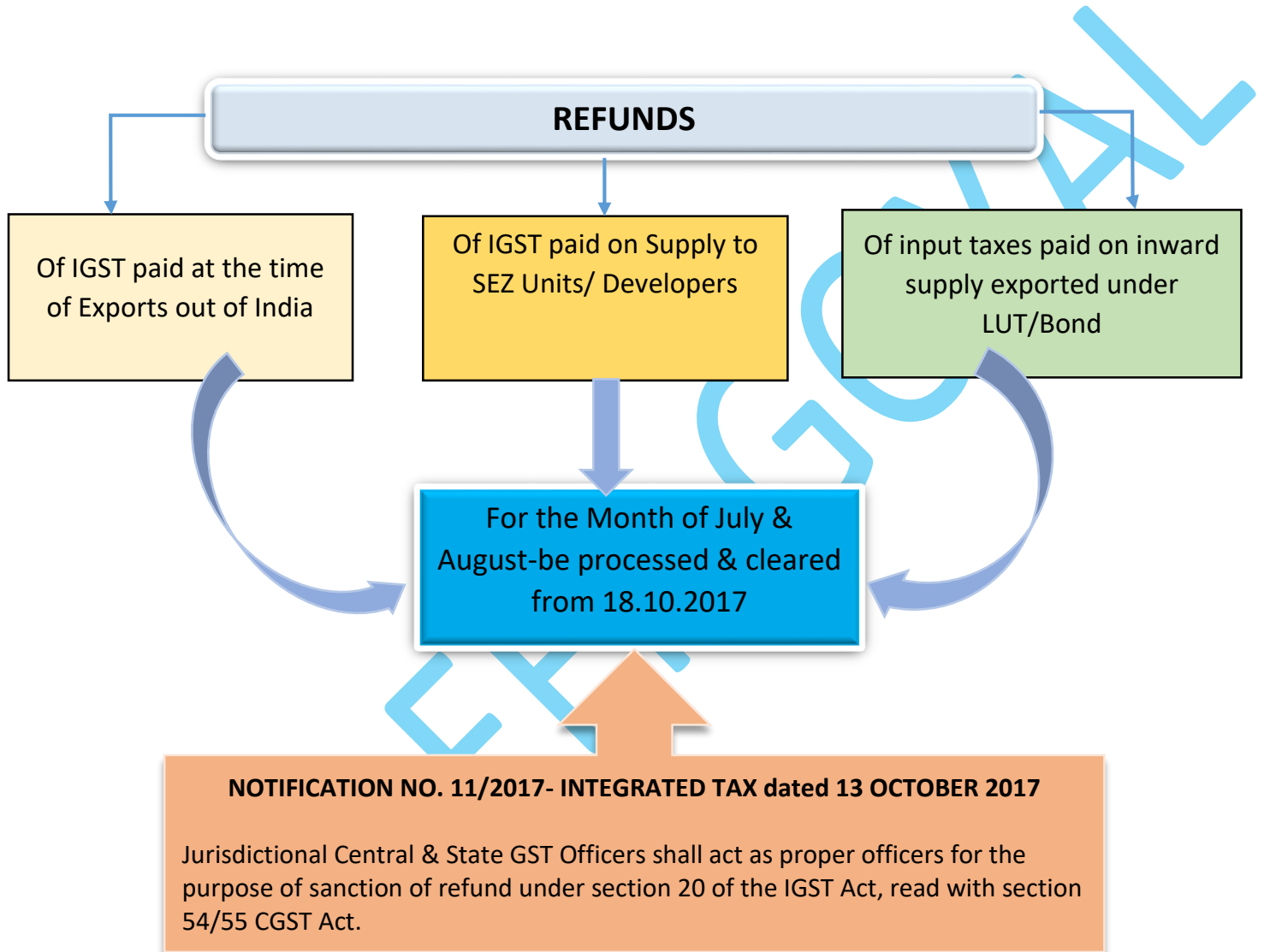
LUT will be accepted within a period of three working days of its receipt along with the self-declaration as stated above by the exporter. If the LUT is not accepted within a period of three working days from the date of submission, it shall deemed to be accepted.

- ❖ **Jurisdictional officer**

LUT shall be accepted by the jurisdictional Deputy/Assistant Commissioner having jurisdiction over the principal place of business of the exporter. The exporter is at liberty to furnish the LUT before either the Central Tax Authority or the State Tax Authority till the administrative mechanism for assigning of taxpayers to the respective authority is implemented.

## EXPORT PACKAGE GST

The GST Council in its 22nd Meeting held on 6 October, 2017 at New Delhi, approved the following package of relief and incentives for exporters with immediate effect:–



Measures to prevent cash blockage of exporters due to upfront payment of GST on inputs

Immediate Relief

Holders of Advance Authorization (AA)/ EPCG & 100% Export Oriented Units (EOUs)

No IGST /Cess on Import of inputs

Domestic supplies to holders of AA / EPCG and EOUs be treated as deemed exports & refund of tax paid on such supplies given to supplier.

Merchant Exporters

Pay nominal GST of 0.1% for procuring goods from domestic suppliers for export

Permanent Long Term Relief

Notional Advance Refund from 01.04.2018



GST on Sale Purchase of duty credit scrip, is being reduced from 5% to 0%.

Note:- GST Council is confident that these measures would provide immediate relief to the export sector and enhance export competitiveness of India. The Council also decided to continue to monitor the situation closely so that going forward all required support continues to be extended to this important sector.