

# Goods and Services Tax

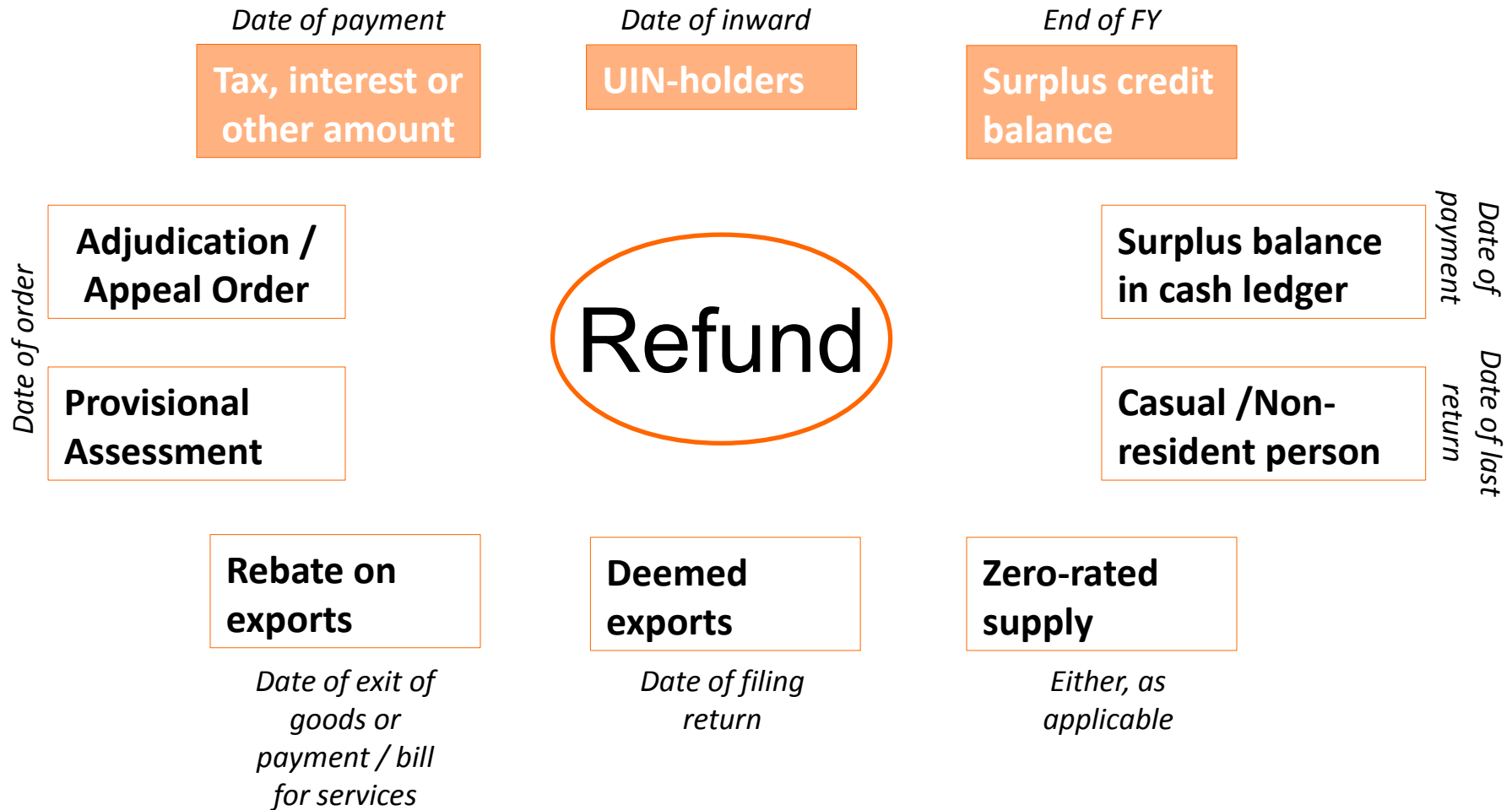
SIRC-ICAI

Feb 2017

# Background

- Lawful recovery of tax:
  - Art. 265/300A
  - *Res judicata*
  - Garnishee
- Duty to refund:
  - Restitution
  - Inalienable right
- Rights:
- Law of limitation:
  - Purpose of limitation
  - Special or general
- Unjust enrichment:
  - Art. 39
  - State v. Subject
  - Actual or presumed
  - Presumption u/s 11(2)

# Cause for Refund



# Steps to Refund

Step 1: File online refund application GST RFD-1 or GSTR-3/4/7 #

Step 2: e-ack. in GST RFD-2 or deficiency memo in GST RFD-3 (15 days)

Step 3: provisional sanction in GST RFD-4 and payment advice in GST RFD-8 (7 days)

Step 4: notice calling for further details in GST RFD-7

Step 5: refund order in GST RFD-5 or order adjusting refund in GST RFD-6

Step 6: re-credit of ITC reversal on rejection of refund claim by order in GST PMT-2A

Step 7: interest on refund ordered in GST RFD-9

Step 8: refund to any other person eligible for refund ordered in GST RFD-10/11

# Export Refund

Refund 'basis' - export document (shipping bill/bill of export)

Proof of realization of export proceeds

Statement of invoice and payment realization

Satisfaction of 'no' unjust enrichment

Debit of refund claimed in ledger

Export refund of tax credit  
[ETO / TTO x Net ITC#]

By 'relevant date'

# Domestic Refund

Refund 'basis' – inward supply of eligible supplies #

Validate refund with GSTR-1 of other taxable person

Statement of invoice and payment proof

Satisfaction of 'no' unjust enrichment

Debit of refund claimed in ledger

By 'relevant date'

# Key Considerations

- Time limit:
  - 2 years
  - 6 months for UIN
  - OBT 'at' departure
- Express refund:
  - No offense case in 5 PYs
  - GST rating  $> 5$
  - No appeal/review on refund
- Relevant date:
  - Date of export/supply
  - Date of filing return
  - Date of tax
- Interest on refund:
  - Review
  - After 60 days

# Thank You

- Register at [www.idtc.icaai.org](http://www.idtc.icaai.org) for regular updates on GST