



ONE NATION TAX

GOODS AND SERVICE TAX ACT

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“PLACE OF SUPPLY OF GOODS” (SECTION 9, 10 And 11 OF IGST Act 2017)



“Address of delivery”

means the address of the recipient of goods or services or both indicated on the tax invoice issued by a registered person for delivery of such goods or services or both

“Continuous supply of goods”

Supply of goods which is provided, or agreed to be provided, continuously or on recurrent basis under a contract, whether or not by means of a wire, cable, pipeline or other conduit, and for which the supplier invoices the recipient on a regular or periodic basis;

“Continuous supply of services”

Supply of services which is provided, or agreed to be provided, continuously or on recurrent basis, under a contract, for a period exceeding three months with periodic payment obligations and includes supply of such service as the Central or a State Government may, whether or not subject to any condition, by notification, specify

Relevant Definitions



“Import of service” means supply of service, where
a) the supplier of service is located outside India
b) the recipient of service is located in India and
c) the place of supply of service is in India

“Intermediary” means a broker, an agent or any other person, by whatever name called, who arranges or facilitates the supply of goods or services or both, or securities, between two or more persons, but does not include a person who supplies such goods or services or both or securities on his own account;

Relevant Definitions



“location of the recipient of service” means:

(i) where a supply is received at a place of business for which registration has been obtained, the location of such place of business;

(ii) where a supply is received at a place other than the place of business for which registration has been obtained, that is to say, a fixed establishment elsewhere, the location of such fixed establishment;

(iii) where a supply is received at more than one establishment, whether the place of business or fixed establishment, the location of the establishment most directly concerned with the receipt of the supply

(iv) in absence of such places, the location of the usual place of residence of the recipient;

**Relevant
Definitions**



“non-taxable online recipient” means Government, a local authority, a governmental authority, an individual or any person not registered under section 23 of the CGST Act, 2016 receiving online information and database access or retrieval services in relation to any purpose other than commerce, industry or any other business or profession, located in taxable territory;

“online information and database access or retrieval services” means services whose delivery is mediated by information technology over the internet or an electronic network and the nature of which renders their supply essentially automated and involving minimal human intervention, and impossible to ensure in the absence of information technology and includes electronic services such as advertising on the internet; providing cloud services; provision of e-books, movie, music, software and other intangibles via telecommunication networks or internet; providing data or information, retrievable or otherwise, to any person, in electronic form through a computer network; online supplies of digital content (movies, television shows, music, etc.); digital data storage; and online gaming

Relevant Definitions



“recipient” of supply of goods and / or services means-

(a) where a consideration is payable for the supply of goods and / or services, the person who is liable to pay that consideration

• • (b) where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available, and

• • (c) where no consideration is payable for the supply of a service, the person to whom the service is rendered, and any reference to a person to whom a supply is made shall be construed as a reference to the recipient of the supply;

Explanation.- The expression “recipient” shall also include an agent acting as such on behalf of the recipient in relation to the goods and / or services supplied.

Relevant Definitions



Relevant Definitions

Location of the supplier is in territorial waters
– location of such supplier shall be deemed
to be in the coastal State or Union territory
where the nearest point of the appropriate
baseline is located

If Place of supply is in the territorial
waters - place of supply shall be
deemed to be in the coastal State or
Union territory where the nearest point
of the appropriate baseline is located



Goods	Place of Supply
<p>With movements of goods involved (whether by the supplier or the recipient or by any other person)</p>	<p>Location of the goods at the time at which the movement of goods terminates for delivery to the recipient</p>
<p>Without any movement of goods</p>	<p>Location where goods are located at the time when delivery takes place</p>
<p>Where goods are delivered before or during their movement either by way of transfer of documents of title to the goods or otherwise, to a recipient or any other person on the direction of a third person.</p>	<p>Principal place of business of third person</p>

Place of Supply of Goods – Other than Import / Export



Goods	Place of Supply
Goods imported into India	Location of the importer
Goods exported from India	Location outside India

Place of Supply of Goods – Other than Import / Export



“Place of Supply of Services – Location of Supplier & Recipient in India”

(Section 12 of IGST Act 2017)



Nature of Service	Place of Supply of Service
<p>Services in relation to immovable property including services provided by architects, interior decorators, surveyors, engineers and other related experts or estate agents, any service provided by way of grant of rights to use immovable property or for carrying out or co-ordination of construction work / any services ancillary to these services</p>	<p>Location at which the immovable property is located</p> <p>If the location of the immovable property is located or intended to be located outside India, the place of supply shall be the location of the recipient</p>
<ul style="list-style-type: none"> Lodging accommodation by a hotel, inn, guest house, homestay, club or campsite, by whatever name called and including a houseboat or any other vessel / any services ancillary to the services Accommodation in any immovable property for organizing any marriage or reception or matters related therewith, official, social, cultural, religious or business function including services provided in relation to such function at such property / any services ancillary to the services 	<p>Location at which the immovable property, boat or vessel is located.</p> <p>If the location of the immovable property or boat or vessel is located or intended to be located outside India, the place of supply shall be the location of the recipient</p>
<p>Note: If immovable property or boat or vessel is located in more than one State, supply of service shall be treated as made in each of the States in proportion to the value for services separately collected or determined, in terms of the contract / agreement entered into in this regard or, in the absence of this, on reasonable basis as may be prescribed in this behalf</p>	

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service

Place of Supply of Service

Restaurant and catering, personal grooming, fitness, beauty treatment, health services, cosmetic and plastic surgery

Location where the services are actually performed

Services in relation to training and performance appraisal

- In case of registered person – location of such person.
- Other than registered person - location where the services are actually performed

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service

Admission to a cultural, artistic, sporting, scientific, educational, or entertainment event or amusement park or any other place and services ancillary thereto.

- Services provided by way of organization of a cultural, artistic, sporting, scientific, educational or entertainment event including supply of service in relation to a conference, fair, exhibition, celebration or similar events.
- Services ancillary to organization of any of the above events or services.
- Assigning of sponsorship of any of the above events.

Note: If the event is held in more than one State and a consolidated amount is charged, place of supply of such services shall be taken as being in proportion to the value of services so provided in each State as per terms of the contract or agreement or, in absence of such contract or agreement, on such other reasonable basis as may be prescribed in this behalf

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Transportation of goods including mail or courier	<ul style="list-style-type: none">• When provided to a registered person – location of such person.• When provided to other than registered person - location at which the goods are handed over for their transportation.• Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods.
Passenger transportation service.	<ul style="list-style-type: none">• When provided to registered person – location of such person.• When provided to other than registered person - place where the passenger embarks on the conveyance for the continuous journey.• When point of embarkation is not known at the time of issue of right to passage – location of registered person / location of recipient on records in case or location of supplier in case of unregistered person <p>Note: Return journey shall be treated as a separate journey</p>

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Service on board a conveyance such as vessel, aircraft, train or motor vehicle	Location of the first scheduled point of departure of that conveyance for the journey.
<p>Telecommunication services including data transfer, broadcasting, cable and direct to home television services:</p> <ul style="list-style-type: none"> • Services by way of fixed telecommunication line, leased circuits internet leased circuit, cable or dish antenna; • Mobile connection for telecommunication and internet services provided on post-paid basis; • Mobile connection for telecommunication, direct to home services and internet services are provided on pre-payment through a voucher or any other means. 	<ul style="list-style-type: none"> • Location where the telecommunication line, leased circuit or cable connection or dish antenna is installed. • Location of billing address of the service receiver on record of the service provider. <p>If through selling agent / re-seller / distributor of SIM card or re-charge voucher, address of the selling agent or re-seller or distributor as per the record of the supplier at the time of supply.</p> <p>If by any person to the final subscriber shall be the location where such pre-payment is received or such vouchers are sold</p>

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Telecommunication services including data transfer, broadcasting, cable and direct to home television services:	Address of the recipient as per records of the supplier of the service. If address of the recipient as per records of the supplier of service is not available, the place of supply shall be location of the supplier of service
Banking or other financial services including stock broking.	<ul style="list-style-type: none"> • Location of the service receiver on the record of the service provider. • Where location of service receiver is not available, the place of supply shall be location of the supplier of services.
Insurance services.	<ul style="list-style-type: none"> • In case of registered person – location of such person • Other than registered person - location of the service receiver available on the records of the service provider.

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Advertisement services to the central government, state government, a statutory body or a local authority meant for identifiable states	Each such State – Value will be proportionate basis / reasonable basis
Services not covered above.	<ul style="list-style-type: none">• When provided to registered person – location of such person.• When provided to other than registered person - location of the service receiver available on the records of the service provider or if not available location of the service provider

Place of supply of services - location of supplier and the location of the recipient is in India



**“PLACE OF SUPPLY OF
SERVICES – LOCATION OF
SUPPLIER OR RECIPIENT
OUTSIDE INDIA”**

**(SECTION 13 of IGST Act
2017)**



Nature of Service	Place of Supply of Service
<p>Services supplied in respect of goods that are required to be made physically available by the recipient of service to the supplier of service, or to a person acting on behalf of the supplier of service</p>	<p>Location where the services are actually performed</p> <p>(NA for services supplied in respect of goods that are temporarily imported into India for repairs and are exported after repairs without being put to any use in India)</p> <p>If provided at more than one location, including a location in the taxable territory, place of supply shall be the location in the taxable territory where the greatest proportion of the service is provided</p> <p>If supplied in more than one State, place of supply of such services shall be taken as being in proportion to the value of services so provided in each State as per terms of the contract or agreement or, in absence of such contract or agreement, on such other reasonable basis as may be prescribed in this behalf</p>

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Services are provided from a remote location by way of electronic means in respect of goods	<p>Location where goods are situated at the time of supply of service</p> <p>If provided at more than one location, including a location in the taxable territory, place of supply shall be the location in the taxable territory where the greatest proportion of the service is provided</p> <p>If supplied in more than one State, place of supply of such services shall be taken as being in proportion to the value of services so provided in each State as per terms of the contract or agreement or, in absence of such contract or agreement, on such other reasonable basis as may be prescribed in this behalf</p>
Services supplied to an individual or a person acting on behalf of the recipient, which require the physical presence with the supplier for the supply of the service	Location where the services are actually performed

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
<p>Services supplied directly in relation to an immovable property, including services supplied in this regard by experts and estate agents, supply of hotel accommodation by a hotel, inn, guest house, club or campsite, by whatever name called, grant of rights to use immovable property, services for carrying out or co-ordination of construction work, including architects or interior Decorators</p>	<p>Location at which the immovable property is located / intended to be located</p> <p>If provided at more than one location, including a location in the taxable territory, place of supply shall be the location in the taxable territory where the greatest proportion of the service is provided</p> <p>If supplied in more than one State, place of supply of such services shall be taken as being in proportion to the value of services so provided in each State as per terms of the contract or agreement or, in absence of such contract or agreement, on such other reasonable basis as may be prescribed in this behalf</p>
<p>Services supplied by way of admission to, or organization of, a cultural, artistic, sporting, scientific, educational, or entertainment event, or a celebration, conference, fair, exhibition, or similar events, and of services ancillary to such admission</p>	<p>Place where the event is actually held</p> <p>If provided at more than one location, including a location in the taxable territory, place of supply shall be the location in the taxable territory where the greatest proportion of the service is provided</p> <p>If supplied in more than one State, place of supply of such services shall be taken as being in proportion to the value of services so provided in each State as per terms of the contract or agreement or, in absence of such contract or agreement, on such other reasonable basis as may be prescribed in this behalf</p>

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Banking company, or a financial institution, or a non-banking financial company, to account holders / Intermediary services / services consisting of hiring of means of transport other than aircrafts and vessels except yachts, upto a period of one month	Location of the supplier of service
Transportation of goods, other than by way of mail or courier	Place of destination of the goods
Passenger transportation service	Place where the passenger embarks on the conveyance for a continuous journey
Services provided on board a conveyance during the course of a passenger transport operation, including services intended to be wholly or substantially consumed while on board	First scheduled point of departure of that conveyance for the journey

Place of supply of services - location of supplier and the location of the recipient is in India



Nature of Service	Place of Supply of Service
Online information and database access or retrieval services	<p>Location of recipient of service</p> <p>Person receiving such services shall be deemed to be located in the taxable territory if any two of the following non-contradictory conditions are satisfied, namely:</p> <ul style="list-style-type: none"> (i) the location of address presented by the recipient of service via internet is in taxable territory; (ii) the credit card or debit card or store value card or charge card or smart card or any other card by which the recipient of service settles payment has been issued in the taxable territory; (iii) the billing address of recipient of service is in the taxable territory; (iv) the internet protocol address of the device used by the recipient of service is in the taxable territory; (v) the bank of recipient of service in which the account used for payment is maintained is in the taxable territory; (vi) the country code of the subscriber identity module (SIM) card used by the recipient of service is of taxable territory; (vii) the location of the fixed land line through which the service is received by the recipient is in taxable territory.
Services not covered above	<p>Location of recipient of service</p> <p>If not available location of the service provider</p>
<p>Note: Central Government is further empowered to notify any description of service or circumstances in which the place of supply shall be the place of effective use and enjoyment of a service to prevent double taxation or non-taxation of the supply of a service, or for the uniform application of rules</p>	

Place of supply of services - location of supplier and the location of the recipient is in India



REFUNDS



Zero Rated Supply





Zero Rated Supply

Export of Goods

- Means taking goods out of India to a place outside India

Export of Services

supply of any service when,—

- (i) the supplier of service is located in India;
- (ii) the recipient of service is located outside India;
- (iii) the place of supply of service is outside India;
- (iv) the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India; and
- (v) the supplier of service and the recipient of service are not merely establishments of a distinct person

Supply to SEZ Developer or SEZ Unit

**Zero rated Supply with
payment of IGST (Rule
96)- applicability**

- Applicable where no LUT/ bond is executed.
- Supply to SEZ unit/developer to be treated as inter state supply.
- The tax payer should have not received:
 - any of the supplies on which the supplier have availed benefit of following notifications w.e.f. 23rd October 2017:-
 - *Notification 48/2017 - CT* i.e. against advance authorization, EPCG, supply to EOU, supply of gold by bank/ PSU against Advance Authorization.
 - *Notification 40/2017-CT (Rate)* i.e. purchase of goods @ 0.10 % GST as a Merchant Exporter.
 - *Availed benefit of Notification 78/2017-Customs* i.e. procurement by EOU under Customs notification 52/2003 without payment of BCD and IGST
 - If EOU procures goods under above mentioned notification and pay IGST at the time of import then EOU can also export under Rule 96(10)



**Zero rated Supply with
payment of IGST**

- Supply of goods
- To be reported in Table 6 of GSTR 1 as exports with payment of tax with correct Shipping Bill No and Port Code.
- Ensure that taxable value and tax amount is correctly reported in GSTR-1 and GSTR-3B
- It is important to verify GSTN, IGST amount, assessable value etc. on shipping bills.
- Ensure IGST is paid on FOB value of exports and not on CIF value.
- Check whether export data is transmitted to Icegate or not

Particulars	Count	Total IGST Amount (₹)
Total invoices processed from table 6A	9	2,447,583.64
Invoices transmitted to ICEGATE	0	0.00
Invoices not transmitted to ICEGATE ¹ (SB/Port Code details are either missing or Port Code is incorrect)	9	2,447,583.64
Invoices rejected by ICEGATE ²	0	0.00

- Checking status of transmitted Shipping bills at Icegate and correction action to rectify the same



Zero rated Supply with payment of IGST

- Supply of Services
 - To be reported in Table 6 of GSTR 1 as exports with payment.
 - Separate refund application is to be filed under RFD 01 for relevant tax period.
 - It is important to verify Bank Realization Certificates





Export of Services GST Impact

- While verifying export of services, it is important to verify each transaction to ascertain the Place of Supply.
- In case of services there are certain transactions wherein though payment is received from foreign recipient in convertible foreign exchange, the place of supply may be in India.
- It is important to go through the agreement to understand the exact nature of service provided.
- In case of intermediary services, the agreement needs to be read with precaution to ensure that proper place of supply is mapped to the transaction.
- Just because payment is received in convertible foreign exchange, it cannot be implied that the transaction is export of service



Refunds

- Refund of IGST paid on Exports
- Refund of Excess Balance in Electronic Cash Ledger
- Refund of ITC on Export of Goods & Services without Payment of Tax
- On account of supplies made to SEZ unit/ SEZ developer (without payment of tax)
- Refund on account of ITC accumulated due to Inverted Tax Structure
- On account of Refund by Recipient/ Supplier of deemed export.
- Refund on account of Supplies to SEZ unit/ SEZ Developer (with payment of tax)
- Export of services with payment of tax
- Tax paid on an intra-State supply which is subsequently held to be inter-State supply & vice versa
- Any other (specify)
- Excess payment of tax.
- On Account of Assessment / Provisional Assessment / Appeal / Any other order



LUT Export

- Export of Goods and Services are made under LUT
- Turnover of zero-rated supply of goods" The turnover of zero rated supplies of goods is lower of
 - Value of exports
 - 1.5 time of the value of "Like goods" sold in DOMESTIC by the exporter or similarly placed another supplier
- "Turnover of zero-rated supply of services" means value of export of services made without payment of Tax calculated as below:
 - payments received during the relevant period for zero-rated supply of services
 - where supply has been completed for which payment had been received in advance in any period prior to the relevant period
- "Net ITC" means input tax credit availed on inputs and input services during the relevant period
- "Relevant period" means the period for which the claim has been filed
- Time limit: Within the period of 2 years from the period for which refund application is filed



LUT Export

“Adjusted Total Turnover” includes:

- Value of all taxable supplies both interstate and intra state
- Export of goods with payment of tax or without payment of tax
- Export of services on realisation basis

Refund Formula :

- $(\text{Turnover of zero-rated supply of goods} + \text{Turnover of zero-rated supply of services}) \times \text{Net ITC} \div \text{Adjusted Total Turnover}$



LUT Export

Requirement:

- GSTR-1
- GSTR-3B
- Export Register as reported in GSTR-1
- Debit Note / Credit note break up details for domestic and export supplies
- Export of Goods & Services
 - Export Invoice No, Invoice date, Taxable Value, Shipping Bill No & Date, Port Code, EGM No, EGM Date
 - Goods should be exported within the period of 3 months from the date of issue of invoice
 - Service Export Invoice No, Date, Amount Realised, FIRC / BRC No & Date
 - Service export should be realised within the period of 1 year from the date of invoice or extended period allowed by Commissioner
 - Copy of FIRC / BRC w.r.t. service export realisation

LUT Export



Requirement:

- **Input Tax Credit**
 - Reconciliation of ITC availed with GSTR-2A
 - Annexure B – Statement of ITC invoices along with HSN / SAC
 - Bifurcation of ITC into Input / Input Services / Capital Goods
 - RCM ITC – Invoice / Challan
 - Bill of Entry Copy
- **Reconciliation of GSTR-1 and GSTR-3B**

LUT Export



Requirement:

- **Refund allowed is minimum of the following:**
 - Refund amount as per formula
 - Closing balance of ITC as on the date of filing of refund application
 - Closing balance of ITC after filing GSTR-3B for the
- **Refund to be claimed in following sequence:**
 - First utilize IGST ITC
 - Then balance amount of refund to be apportioned equally to CGST and SGST
- **Provisional Refund: Allowed upto 90% of refund applied for**

Inverted Duty Refund



- It refers to a situation where the rate of tax on inputs purchased (i.e. GST Rate paid on inputs received) is more than the rate of tax (i.e. GST Rate Payable on outward supplies) on outward supplies.
- Net ITC - Mean input tax credit availed on inputs during the relevant period. No ITC on Input services and Capital Goods to be considered
- Total Adjusted Turnover: As mentioned in LUT Refund working
- Turnover of Inverted Rated Supplies
- Time Limit: Within the period of 2 years from the date of filing of return for the period for which refund is filed

Inverted Duty Refund



Refund Formula

- $\{(Turnover\ of\ inverted\ rated\ supply\ of\ goods\ and\ services) \times Net\ ITC \div Adjusted\ Total\ Turnover\} - tax\ payable\ on\ such\ inverted\ rated\ supply\ of\ goods\ and\ services.$

Requirement:

- Sales Register for Identification of Inverted Rated outward Supplies with GST amount on such outward supplies
- Outward Supply Invoice No, Invoice Date, Taxable Value, GST Amount of inverted rated outward supplies
- Details of Debit Note / Credit Note pertaining to inverted rated outward supplies
- Reconciliation of Input ITC with GSTR-2A
- Statement 1A:
- Details of Inwards supplies – Invoice No, Date, Taxable Value, GST Amount
- Bill of Entry No, Date, Port Code of Import, Assessable Value, IGST Amount



Inverted Duty Refund

- **Statement 1A:**
 - Maximum 10000 line items can be uploaded in one file for validation
 - Multiple files to be used when there are more than 10000 line items and each file to be validated online
 - After uploading if any error is reported by portal than same need to be resolved
- **Input Tax Credit**
 - Reconciliation of ITC availed with GSTR-2A
 - Annexure B – Statement of ITC invoices along with HSN / SAC
 - Bifurcation of ITC into Input / Input Services / Capital Goods
 - Bill of Entry Copy

Inverted Duty Refund



Reconciliation of GSTR-1 & GSTR-3B

Refund allowed is minimum of the following:

- Refund amount as per formula
- Closing balance of ITC as on the date of filing of refund application
- Closing balance of ITC after filing GSTR-3B for the relevant period

Refund to be claimed in following sequence:

- First utilize IGST ITC
- Then balance amount of refund to be apportioned equally to CGST and SGST



Export of Services with Payment of Tax

- **GSTR-1 and GSTR-3B**
- **Reconciliation of GSTR-1 and GSTR-3B**
- **Time Limit: Within the period of 2 years from the date of realisation of service exports**
- **Statement 2:**
 - **Service Export Invoice No, Date, Taxable Value, IGST, Debit Note / Credit note issued against said invoice**
 - **BRC / FIRC Copy**
- **ITC reconciliation with GSTR-2A**
- **Copy of RCM Invoices / Challan**
- **There is no debit in the electronic cash / credit ledger when this application is filed**



Supply to SEZ without Payment of IGST

- Reconciliation of GSTR-1 and GSTR-3B
- Statement 5:
 - Invoice No, Date, Taxable Value, Shipping Bill / Bill of Export / Invoice
 - Details of payment and proof thereof in case of supply of services
- Refund Formula
- Turnover of zero-rated supply of goods + Turnover of zero-rated supply of services) x Net ITC ÷ Adjusted Total Turnover
- ITC reconciliation with GSTR-2A



Supply to SEZ without Payment of IGST

- Refund allowed is minimum of the following:
 - Refund amount as per formula
 - Closing balance of ITC as on the date of filing of refund application
 - Closing balance of ITC after filing GSTR-3B for the
- Refund to be claimed in following sequence:
 - First utilize IGST ITC
 - Then balance amount of refund to be apportioned equally to CGST and SGST



Supply to SEZ with Payment of IGST

- **GSTR-1 and GSTR-3B**
- **Reconciliation of GSTR-1 and GSTR-3B**
- **Statement 4:**
 - GSTN of Customer, Invoice No, Date, Taxable Value, Shipping Bill / Bill of Export / Invoice, IGST, Debit Note / Credit note issued against said invoice
 - Details of payment and proof thereof in case of supply of services
- **Refund application to be filed only after goods are fully admitted in SEZ for authorized officer as endorsed by the specified officer of the SEZ.**
- **In case of services the specified officer should endorse that the services are used for authorized operations.**



Supply to SEZ with Payment of IGST

- It is important to verify that endorsement by the Specified officer is on record.
- Declaration that SEZ recipient has not availed the input tax credit of tax paid by the supplier.
- Declaration from the supplier that tax has not been collected from the SEZ recipient
- Declaration to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed does not exceed two lakh rupees
- Certificate from CA or CMA to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed exceeds two lakh rupees
 - ITC reconciliation with GSTR-2A
 - Copy of RCM Invoices / Challan
 - There is no debit in the electronic cash / credit ledger when this application is filed



Refund of Deemed Export by Recipient

- Deemed exports are to be disclosed as B2B transaction by mapping invoice type as Deemed Exports in GSTR 1. General error invoice type is not selected properly as “Deemed Export” and hence reflected as “Regular”.
- Ensure not disclosed as zero rated supply in GSTR 3B
- **Statement 5B: GSTN of Supplier, Invoice No, Date, Taxable Value, GST**
- Declaration by the recipient that the refund is claimed only for the invoices mentioned in statement 5B for the tax period for which refund is being claimed and the amount does not exceed the amount of input tax credit availed in the valid return filed for the said tax period
- Declaration that the supplier has not claimed refund against said invoices
- **Refund allowed is minimum of the following:**
 - Refund of GST as mentioned in statement 5
 - Closing balance of ITC as on the date of filing of refund application
 - Closing balance of ITC after filing GSTR-3B for the relevant period



Refund of Deemed Export by Supplier

- Deemed exports are to be disclosed as B2B transaction by mapping invoice type as Deemed Exports in GSTR 1. General error invoice type is not selected properly as “Deemed Export” and hence reflected as “Regular”.
- Ensure not disclosed as zero rated supply in GSTR 3B
- **Statement 5B: Invoice No, Date, Taxable Value, GST**
- Declaration by the supplier that the refund is claimed only for the invoices mentioned in statement 5B for the tax period for which refund is being claimed and the amount does not exceed the amount of input tax credit availed in the valid return filed for the said tax period
- Declaration that the recipient shall not claim any refund against said invoices
- Undertaking from the recipient that ITC on said invoices has not been availed and supplier may claim the refund against same
- There is no separate debit in the Cash / credit ledger at portal for the same

Forms



- RFD-01:** Refund Application Form
- RFD-02:** Acknowledgement of refund application
- RFD-03:** Deficiencies in refund application
- RFD-04:** Order sanctioning the refund amount on provisional basis
- RFD-05:** Payment order for the amount sanctioned
- RFD-06:** Refund Sanction / Rejection Order
- RFD-07:** Order for Complete adjustment of sanctioned Refund
- RFD-08:** Notice for rejection of refund application
- RFD-09:** Reply to RFD-08



Precaution while filing refund application

- Selection of correct period while creating the refund application
- Selection of correct period in the respective utility statement like Statement 3, Statement 1A, Statement 2, Statement 5, Statement 5B etc
- Invoice no mentioned in the GSTR-1 should be used for updation in utility statement
- Using correct dd-mm-yyyy format for invoice date in the utility
- Selection of active / correct bank account
- Uploading of all refund related file online in PDF format
- System allows 10 files to be uploaded having restriction of 5MB size for each file
- Before submission of the application online review the refund application in draft mode