

GST Awareness Campaign

Day 8

**A Presentation By –
GST Helpline Team**

JOB WORK

JOB WORK

Sub Section 68 of Section 2

“job work” means any treatment or process undertaken by a person on goods belonging to another registered person and the expression “job worker” shall be construed accordingly;

Section 143

(1) A registered person may under intimation send any inputs or capital goods, without payment of tax, to a job worker for job work and from there subsequently send to another job worker and likewise, and shall,—

JOB WORK

(a) bring back inputs, after completion of job work or otherwise, or capital goods, other than moulds and dies, jigs and fixtures, or tools, within one year and three years, respectively, of their being sent out, to any of his place of business, without payment of tax;

(b) supply such inputs, after completion of job work or otherwise, or capital goods, other than moulds and dies, jigs and fixtures, or tools, within one year and three years, respectively, of their being sent out from the place of business of a job worker on payment of tax within India, or with or without payment of tax for export, as the case may be:

JOB WORK

Provided that the principal shall not supply the goods from the place of business of a job worker in accordance with the provisions of this clause unless the said principal declares the place of business of the job worker as his additional place of business except in a case-

- (i) where the job worker is registered under section 25; or
 - (ii) where the principal is engaged in the supply of such goods as may be notified by the Commissioner.
- (2) The responsibility for keeping proper accounts for the inputs or capital goods shall lie with the principal.

JOB WORK

(3) Where the inputs sent for job work are not received back by the principal after completion of job work or otherwise in accordance with the provisions of clause (a) of sub-section (1) or are not supplied from the place of business of the job worker in accordance with the provisions of clause (b) of sub-section (1) within a period of one year of their being sent out, it shall be deemed that such inputs had been supplied by the principal to the job worker on the day when the said inputs were sent out.

JOB WORK

(4) Where the capital goods, other than moulds and dies, jigs and fixtures, or tools, sent for job work are not received back by the principal in accordance with the provisions of clause (a) of subsection (1) or are not supplied from the place of business of the job worker in accordance with the provisions of clause (b) of subsection (1) within a period of three years of their being sent out, it shall be deemed that such capital goods had been supplied by the principal to the job worker on the day when the said capital goods were sent out.

JOB WORK

(5) Notwithstanding anything contained in sub-sections (1) and (2), any waste and scrap generated during the job work may be supplied by the job worker directly from his place of business on payment of tax, if such job worker is registered, or by the principal, if the job worker is not registered.

Explanation- For the purposes of job work, input includes intermediate goods arising from any treatment or process carried out on the inputs by the principal or the job worker.

REFUND

- The explanation given below Section 54 says as under-
“refund” includes refund of tax paid on zero-rated supplies of goods or services or both or on inputs or input services used in making such zero-rated supplies, or refund of tax on the supply of goods regarded as deemed exports, or refund of unutilised input tax credit as provided under sub-section (3).

REFUND

Section 54

(1) Any person claiming refund of any tax and interest, if any, paid on such tax or any other amount paid by him, may make an application, electronically through common portal, **before the expiry of two years** from the relevant date.

Provided that a registered person, claiming refund of any balance in the electronic cash ledger may claim such refund in the return furnished under section 39. (**GSTR- 1**)

REFUND

Relevant Date

Explanation 2 given below Section 54 defines Relevant Date as under-

(a) in the case of goods exported out of India where a refund of tax paid is available in respect of goods themselves or, as the case may be, the inputs or input services used in such goods-

(i) if the goods are exported by sea or air, the date on which the ship or the aircraft in which such goods are loaded, leaves India; or

(ii) if the goods are exported by land, the date on which such goods pass the frontier; or

(iii) if the goods are exported by post, the date of despatch of goods by the Post Office concerned to a place outside India;

REFUND

- (b) in the case of supply of goods regarded as deemed exports where a refund of tax paid is available in respect of the goods, the date on which the return relating to such deemed exports is furnished;
- (c) in the case of services exported out of India where a refund of tax paid is available in respect of services themselves or, as the case may be, the inputs or input services used in such services, the date of—
 - (i) receipt of payment in convertible foreign exchange, where the supply of services had been completed prior to the receipt of such payment; or
 - (ii) issue of invoice, where payment for the services had been received in advance prior to the date of issue of the invoice;

REFUND

- (d) in case where the tax becomes refundable as a consequence of judgment, decree, order or direction of the Appellate Authority, Appellate Tribunal or any court, the date of communication of such judgment, decree, order or direction;
- (e) in the case of refund of unutilised input tax credit, the end of the financial year in which such claim for refund arises;
- (f) in the case where tax is paid provisionally under this Act or the rules made there under, the date of adjustment of tax after the final assessment thereof;
- (g) in the case of a person, other than the supplier, the date of receipt of goods or services or both by such person; and
- (h) in any other case, the date of payment of tax.

REFUND

(3) Subject to the provisions of sub-section (10), a registered person may claim refund of any unutilised input tax credit at the end of any tax period:

Provided that no refund of unutilised input tax credit shall be allowed in cases other than—

- (i) zero rated supplies made without payment of tax;
- (ii) where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on output supplies (other than nil rated or fully exempt supplies), except supplies of goods or services or both as may be notified by the Government on the recommendations of the Council. (**Textile**)

REFUND

Provided further that no refund of unutilised input tax credit shall be allowed in cases where the goods exported out of India are subjected to export duty:

Provided also that no refund of input tax credit shall be allowed, if the supplier of goods or services or both avails of drawback in respect of central tax or claims refund of the integrated tax paid on such supplies.

REFUND

- (4) The application shall be accompanied by-
- (a) such documentary evidence as may be prescribed to establish that a refund is due to the applicant; and
 - (b) such documentary or other evidence as the applicant may furnish to establish that the amount of tax and interest, if any, paid on such tax or any other amount paid in relation to which such refund is claimed was collected from, or paid by him and the incidence of such tax and interest had not been passed on to any other person:

REFUND

Provided that where the amount claimed as refund is less than two lakh rupees, it shall not be necessary for the applicant to furnish any documentary and other evidences but he may file a declaration, based on the documentary or other evidences available with him, certifying that the incidence of such tax and interest had not been passed on to any other person.

(5) If, on receipt of any such application, the proper officer is satisfied that the whole or part of the amount claimed as refund is refundable, he may make an order accordingly and the amount so determined shall be credited to the Fund referred to in section 57.

REFUND

(6) Notwithstanding anything contained in sub-section (5), the proper officer may, in the case of any claim for refund on account of zero-rated supply of goods or services or both made by registered persons refund on a provisional basis, ninety per cent. of the total amount so claimed, excluding the amount of input tax credit provisionally accepted, and thereafter make an order under sub-section (5) for final settlement of the refund claim after due verification of documents furnished by the applicant.

REFUND

- (7) The proper officer shall issue the order under sub-section (5) within sixty days from the date of receipt of application complete in all respects.
- (8) Notwithstanding anything contained in sub-section (5), the refundable amount shall, instead of being credited to the Fund, be paid to the applicant, if such amount is relatable to-
 - (a) refund of tax paid on zero-rated supplies of goods or services or both or on inputs or input services used in making such zero-rated supplies;
 - (b) refund of unutilised input tax credit under sub-section (3);

REFUND

- (c) refund of tax paid on a supply which is not provided, either wholly or partially, and for which invoice has not been issued, or where a refund voucher has been issued;
- (d) refund of tax in pursuance of section 77; (inter state- intra state)
- (e) the tax and interest, if any, or any other amount paid by the applicant, if he had not passed on the incidence of such tax and interest to any other person; or
- (f) the tax or interest borne by such other class of applicants as the Government may, on the recommendations of the Council, by notification, specify.

REFUND

- (9) Notwithstanding anything to the contrary contained in any judgment, decree, order or direction of the Appellate Tribunal or any court or in any other provisions of this Act or the rules made there under or in any other law for the time being in force, no refund shall be made except in accordance with the provisions of sub-section (8).
- (10) Where any refund is due under sub-section (3) to a registered person who has defaulted in furnishing any return or who is required to pay any tax, interest or penalty, which has not been stayed by any court, Tribunal or Appellate Authority by the specified date, the proper officer may-

REFUND

- (a) withhold payment of refund due until the said person has furnished the return or paid the tax, interest or penalty, as the case may be;
- (b) deduct from the refund due, any tax, interest, penalty, fee or any other amount which the taxable person is liable to pay but which remains unpaid under this Act or under the existing law.

REFUND

- (11) Where an order giving rise to a refund is the subject matter of an appeal or further proceedings or where any other proceedings under this Act is pending and the Commissioner is of the opinion that grant of such refund is likely to adversely affect the revenue in the said appeal or other proceedings on account of malfeasance or fraud committed, he may, after giving the taxable person an opportunity of being heard, withhold the refund till such time as he may determine.
- (12) Where a refund is withheld under sub-section (11), the taxable person shall, notwithstanding anything contained in section 56, be entitled to interest at such rate not exceeding six per cent. if as a result of the appeal or further proceedings he becomes entitled to refund.

REFUND

- (13) Notwithstanding anything to the contrary contained in this section, the amount of advance tax deposited by a casual taxable person or a non-resident taxable person under sub-section (2) of section 27, shall not be refunded unless such person has, in respect of the entire period for which the certificate of registration granted to him had remained in force, furnished all the returns required under section 39.
- (14) Notwithstanding anything contained in this section, no refund under sub-section (5) or sub-section (6) shall be paid to an applicant, if the amount is less than one thousand rupees.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Rule 89

- (1) Any person claiming refund of any tax, interest, penalty, fees or any other amount paid by him, **other than refund of integrated tax paid on goods exported out of India**, may file an application electronically in FORM GST **RFD- 01** through the common portal.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Provided further that in respect of supplies to a Special Economic Zone unit or a Special Economic Zone developer, the application for refund shall be filed by the-

- (a) supplier of goods after such goods have been admitted in full in the Special Economic Zone for authorised operations, as endorsed by the specified officer of the Zone;
- (b) supplier of services along with such evidence regarding receipt of services for authorised operations as endorsed by the specified officer of the Zone: Provided

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Provided also that in respect of supplies regarded as deemed exports, the application shall be filed by the recipient of deemed export supplies.

Provided also that refund of any amount, after adjusting the tax payable by the applicant out of the advance tax deposited by him under section 27 at the time of registration, shall be claimed in the last return required to be furnished by him.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

GST RFD-01, is required to be accompanied by the following documents to establish that a refund is due to the applicant-

The reference number of the order and a copy of the order passed by the proper officer or an appellate authority or Appellate Tribunal or court resulting in such refund or reference number of the payment of the amount specified in subsection (6) of section 107 and sub-section (8) of section 112 claimed as refund;

A statement containing the number and date of shipping bills or bills of export and the number and the date of the relevant export invoices, in a case where the refund is on account of export of goods;

REFUND- PROCEDURE AS PRESCRIBED IN RULES

a statement containing the number and date of invoices and the relevant Bank Realisation Certificates or Foreign Inward Remittance Certificates, as the case may be, in a case where the refund is on account of the export of services;

In case of supplies to SEZ, details of invoices along with endorsement of the supplier and the proof from the SEZ Customs Authorities that the goods or the services have been admitted for authorised operations and that the SEZ Unit or the developer, as the case may be, has not availed the credit of tax paid.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

In case of refund is of un-utilised input tax credit, accumulated on account of the rate of tax on the inputs being higher than the rate of tax on output supplies, other than nil-rated or fully exempt supplies, a statement containing the number and the date of the invoices received and issued during a tax period.

where the refund arises on account of the finalisation of provisional assessment, the reference number of the final assessment order and a copy of the said order.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

a statement showing the details of transactions considered as intra-State supply but which is subsequently held to be inter-State supply;

in a case where the amount of refund claimed does not exceed two lakh rupees a 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 exceeds two lakh rupees, a Certificate in Annexure 2 of FORM GST RFD-01 issued by a chartered accountant or a cost accountant 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,

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Where the application relates to refund of input tax credit, the electronic credit ledger shall be debited by the applicant by an amount equal to the refund so claimed.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Rule 90

The application for refund shall be forwarded to the proper officer who shall, within a period of fifteen days of filing of the said application, scrutinize the application for its completeness and where the application is found to be complete, an acknowledgement in FORM GST **RFD-02** shall be made available to the applicant through the common portal electronically, clearly indicating the date of filing of the claim for refund and the time period specified in sub-section (7) of section 54 shall be counted from such date of filing.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Where any deficiencies are noticed, the proper officer shall communicate the deficiencies to the applicant in FORM GST **RFD-03** through the common portal electronically, requiring him to file a fresh refund application after rectification of such deficiencies.

Rule 91

In case of refund of tax paid on zero rated supply, provisional refund shall be granted by issue of an order in form GST **RFD 4**, subject to the condition that the person claiming refund has, during any period of five years immediately preceding the tax period to which the claim for refund relates, not been prosecuted for any offence under the Act or under an existing law where the amount of tax evaded exceeds two hundred and fifty lakh rupees.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Rule 92

Where, upon examination of the application, the proper officer is satisfied that a refund is due and payable to the applicant, he shall make an order in FORM GST **RFD-06** sanctioning the amount of refund to which the applicant is entitled, mentioning therein the amount, if any, refunded to him on a provisional basis, amount adjusted against any outstanding demand and the balance amount refundable,

Provided that in cases where the amount of refund is completely adjusted against any outstanding demand under the Act or under any existing law, an order giving details of the adjustment shall be issued in Part A of FORM **GST RFD-07**.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Where the proper officer is satisfied, that the whole or any part of the amount claimed as refund is not admissible or is not payable to the applicant, he shall issue a notice in FORM GST **RFD-08** to the applicant, requiring him to furnish a reply in FORM GST **RFD-09** within a period of fifteen days of the receipt of such notice and after considering the reply, make an order in FORM GST **RFD-06** sanctioning the amount of refund in whole or part, or rejecting the said refund claim and the said order shall be made available to the applicant electronically.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Where the proper officer is satisfied that the amount refundable is not payable to the applicant, he shall make an order in FORM GST RFD-06 and issue an advice in FORM GST RFD-05, for the amount of refund to be credited to the Consumer Welfare Fund.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Rule 96

Refund of integrated tax paid on goods exported out of India.-

- (a) The shipping bill filed by an exporter shall be deemed to be an application for refund of integrated tax paid on the goods exported out of India and such application shall be deemed to have been filed only when:- (a) the person in charge of the conveyance carrying the export goods duly files an export manifest or an export report covering the number and the date of shipping bills or bills of export; and
- (b) The applicant has furnished a valid return in FORM GSTR-3.

REFUND- PROCEDURE AS PRESCRIBED IN RULES

Upon the receipt of the information regarding the furnishing of a valid return in FORM GSTR-3 from the common portal, the system designated by the Customs shall process the claim for refund and an amount equal to the integrated tax paid in respect of each shipping bill or bill of export shall be electronically credited to the bank account of the applicant mentioned in his registration particulars and as intimated to the Customs authorities

ADVANCE RULING

Provisions of Advance ruling are contained in Section 95 to 106 of the CGST/ SGST Act

What is Advance Ruling?

“advance ruling” means a decision provided by the Authority or the Appellate Authority to an applicant on matters or on questions specified in sub-section (2) of section 97 or sub-section (1) of section 100, in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant

ADVANCE RULING

The question on which the advance ruling may be sought under this Act, shall be in respect of,

- (a) classification of any goods or services or both;
- (b) applicability of a notification issued under the provisions of this Act;
- (c) determination of time and value of supply of goods or services or both;
- (d) admissibility of input tax credit of tax paid or deemed to have been paid;

ADVANCE RULING

- (e) determination of the liability to pay tax on any goods or services or both;
- (f) whether applicant is required to be registered;
- (g) whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term

ADVANCE RULING

Qualification and appointment of members of the Authority for Advance Ruling-

The Central Government and the State Government shall appoint officer of the rank of Joint Commissioner as member of the Authority for Advance Ruling.

Form and manner of application to the Authority for Advance Ruling.-

An application for obtaining an advance ruling under sub-section (1) of section 97 shall be made on the common portal in FORM **GST ARA-01** and shall be accompanied by a fee of five thousand rupees, to be deposited in the manner specified in section 49.

ADVANCE RULING

On receipt of an application, the Authority shall cause a copy thereof to be forwarded to the concerned officer and, if necessary, call upon him to furnish the relevant records:

The Authority may, after examining the application and the records and after hearing the applicant or his authorised representative and the concerned officer or his authorised representative, by order, either admit or reject the application

ADVANCE RULING

Where an application is admitted, the Authority shall, after examining such further material as may be placed before it by the applicant or obtained by the Authority and after providing an opportunity of being heard to the applicant or his authorised representative as well as to the concerned officer or his authorised representative, pronounce its advance ruling on the question specified in the application within 90 days of receipt of the application and pass an order in writing.

ADVANCE RULING

The concerned officer, the jurisdictional officer or an applicant aggrieved by any advance ruling pronounced may appeal to the Appellate Authority.

Every appeal under this section shall be filed within a period of thirty days from the date on which the ruling sought to be appealed against is communicated to the concerned officer, the jurisdictional officer and the applicant:

ADVANCE RULING

An appeal against the advance ruling issued shall be made by an applicant on the common portal in FORM GST ARA-02 and shall be accompanied by a fee of ten thousand rupees.

An appeal against the advance ruling shall be made by the concerned officer or the jurisdictional officer on the common portal in FORM GST ARA-03 and no fee shall be payable by the said officer for filing the appeal.

ADVANCE RULING

The Appellate Authority may, after giving the parties to the appeal or reference an opportunity of being heard, pass such order as it thinks fit, confirming or modifying the ruling appealed against or referred to.

The order shall be passed within a period of ninety days from the date of filing of the appeal or a reference.

Where the members of the Appellate Authority differ on any point or points referred to in appeal or reference, it shall be deemed that no advance ruling can be issued in respect of the question under the appeal or reference.

ADVANCE RULING

The advance ruling pronounced by the Authority or the Appellate Authority under this Chapter shall be binding only-

- (a) on the applicant who had sought it in respect of any matter;
- (b) on the concerned officer or the jurisdictional officer in respect of the applicant. .

The advance ruling shall be binding unless the law, facts or circumstances supporting the original advance ruling have changed

THE END



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