

OFFICE OF THE COMMISSIONER OF CUSTOMS (EXPORTS)
NEW CUSTOMS HOUSE: NEAR IGI AIRPORT: NEW DELHI.

C.NO. VIII/ACE/DBK/PN/728/2011/ ³⁰¹⁴
2011/11

DATED: 20.12.2011.

PUBLIC NOTICE NO. 33 /11, DATED 20.12.2011.

**SUBJECT: SERVICE TAX REFUND (STR) TO EXPORTERS THROUGH
INDIAN CUSTOMS EDI SYSTEM (ICES) - REGARDING.**

Attention of Exporters, CHAs and all stake holders is invited to the fact that so far Service Tax Refund (STR) was made available to exporters (other than SEZ Units/Developers) on specified services used for export of goods covered in Notification No. 17/2009-ST, dated 7-7-2009 (as amended) subject to certain conditions. In this connection, Hon'ble Finance Minister, had stated in his Budget Speech that:

"There have been considerable difficulties in the sanction of refunds, relating to tax paid on services used for export of goods. I propose to shortly introduce a scheme for the refund of these taxes on the lines of drawback of duties in a far more simplified and expeditious manner".

2. Accordingly, Government has proposed to introduce a simplified scheme for electronic refund of service tax to exporters, on the lines of duty drawback. With the introduction of this new scheme, exporters now have a choice: either they can opt for electronic refund through ICES system, which is based on the 'schedule of rates' or they can opt for refund on the basis of documents, by approaching the Central Excise/Service Tax formations.

3. To obtain benefit under the new electronic STR scheme, which is based on the 'schedule of rates', an exporter:

- (i) should have a bank account and also a central excise registration or service tax code number and the same should be registered with Customs ICES 1.5 using 'Annexure -A' Form;
- (ii) should declare his option to avail STR on the electronic shipping bill while presenting the same to the proper officer of Customs.

4. An exporter, who wishes to obtain electronic STR, should express his option by mentioning in the shipping bill, chapter/sub-heading number at the first two digits or four digit levels specified in the schedule of rates (to be notified), as applicable to the export goods declared in the shipping bill. This chapter/sub-heading number should tally with RITC code mentioned in the Shipping Bill against the export goods. Eligible refund amount of service tax paid on the specified services used for export of goods declared in

the shipping bill will be calculated electronically by the ICES system, by applying the rate specified in the schedule against the said goods, as a percentage of the FOB value.

5. Exporters who do not like to obtain electronic STR on the basis of 'schedule of rates', but wish to opt for claiming STR on the basis of documents, through the Central Excise/Service Tax field formations should declare chapter/sub-heading number as 9801 in the electronic Shipping Bill. Minimum STR will be Rupees Fifty for an electronic shipping bill. An exporter who wants to get the chapter/sub-heading number amended, for any reason, can get the same carried out through the ICES service centre by filing an amendment request; amendment request can also be filed through ICEGATE using Remote EDI System (RES) software. Exporters can track the status of their refund claim and details of refund amount through ICEGATE Document Tracking and Touch Screen Enquiry.

6. STR amount processed under the ICES will be disbursed through the branch of the authorized bank at each customs location. The STR amount in respect of individual exporters will be credited directly to the bank account of the exporter, in the authorized bank branch at a Custom location or to any core banking enabled banking account of the exporter, in any branch/bank anywhere in the country (through the NEFT/RTGS). For this purpose, the exporters are required to register with Customs, the Indian Financial Service Code (IFSC) of the bank branch in which he/she wishes to receive the STR amount, the core banking enabled account number, bank name and address, using 'Annexure-A'. The procedure for registration of bank account is the same as existing procedure for registration of bank account for receiving drawback amount. Form for registration of bank account, namely, 'Annexure-A' is enclosed to this Public Notice, for the convenience of the exporters.

7. Duly filled in 'Annexure-A' form enclosed in this Public Notice (along with self-certified photocopy of central excise registration or service tax code number), should be submitted to the Superintendent(CRU) in the Export Shed in Air Cargo, as soon as possible, to get benefit of the electronic refund scheme. (Merchant Exporters, who require a service tax code, can use Form A-2 provided in the Notification No. 17/2009-ST and obtain the same from jurisdictional central excise or service tax by following the procedure prescribed in the notification). In respect of exporters who already have their bank accounts registered for receiving drawback amount, no new/separate account will be necessary for receiving service tax refund; but they should register their central excise registration or service tax code number with Customs ICES using Annexure-A Form, if they wish to opt for electronic STR. An exporter availing drawback scheme cannot have separate bank accounts for drawback and service tax refund.

8. A new head of accounts under Major Head "0044- Service Tax" has been opened, namely 00441082 for booking of consolidated electronic refunds.

9. In case of any difficulties, Exporters may contact Shri Mahesh Kumar Rustagi, Additional Commissioner (Exports) at phone number 011-25654977 or e-mail at osd-pac

@ nic.in or Shri R.K. Tyagi, Deputy Commissioner (Drawback) at 011-25654390 or e-mail at rktyagi24@gmail.com.


(RAJEEV TANDON)
COMMISSIONER (EXPORTS)

Annexure A

PART- A

BANK ACCOUNT REGISTRATION FOR E-STR

I.E.C. Number :

IFS Code :

Bank Account Number :

Bank Name & Address :

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Certificate from the bank

Certified that the above particulars are correct.

Signature
(Bank Branch Manager along with official seal)

PART-B

Central Excise Registration/Service Tax Code Number

In case, Service Tax Refund (STR) is to be claimed electronically through ICES 1.5, on the basis of 'schedule of rates', please provide following details:

Central Excise Registration Number:.....

OR

Service Tax Code Number:.....

Declaration

I declare that the above particulars mentioned in Parts A and B are correct.

Signature
Exporter/ Authorized Representative