

NDA Update – Clarification by CBIC on GST

Central Board of Indirect Taxes & Customs (CBIC) has issued a circular (No. 137/07/2020-GST dt 13-04-2020) clarifying on certain matters in view of Covid-19 as under:

1. In terms of notification No. 35/2020 Central Tax dated 03.04.2020, the time limit for furnishing any report, document, return etc which falls due during the period from 20-03-2020 to 29-06-2020, has been extended to 30-06-2020. Accordingly, CBIC has clarified that the time limit of filing of letter of undertaking (LUT) for the year 2020-21 shall stand extended to 30-06-2020. **Taxpayers can export without payment of tax under LUT provided the FORM GST RFD-11 for 2020-21 is furnished on or before 30.06.2020.** Reference number of LUT for 2019-20 may be quoted in the relevant documents until filing of LUT for 2020-21.
2. In case of receipt of advance against a service contract which is cancelled subsequently on which GST is received with advance and deposited by the tax payer, the tax payer can apply for refund of GST paid on such advances by filing FORM GST RFD-01 under the category “Refund of excess payment of tax” if tax invoice is not issued by the tax payer. In case where tax invoice is issued, the tax payer shall be required to issue credit note which shall be declared in the monthly return and tax amount of credit note will be adjusted against output tax liability. However, in case where there is no output tax liability, tax payer may file a claim for refund of GST under “Excess payment of tax” through FORM GST RFD-01.
3. In case where goods supplied with tax invoice are returned by the buyer, the tax payer shall be required to issue credit note which shall be declared in the monthly return and tax amount of credit note will be adjusted against output tax liability. However, in case where there is no output tax liability, tax payer may file a claim for refund of GST under “Excess payment of tax” through FORM GST RFD-01.

Link: http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_137_7_2020.pdf