

INDIRECT TAXES UPDATE - 13

CUSTOMS DUTY

Circular No. 39/2010 Cus. dated 15.10.2010 has been issued to modify the procedure provided in *Circular No. 43/2007 Cus dated 05.12.2007*. *Circular No. 43/2007 Cus dated 05.12.2007* clarified that the Specified Officer posted in an SEZ is the appropriate authority for granting drawback in respect of goods supplied from DTA units to Developers and units in SEZ except where the unit or Developer issues a disclaimer to the DTA supplier in which case the Commissionerate of Central Excise /Customs & Central Excise having jurisdiction over the DTA unit would sanction drawback.

The said Circular further clarified that jurisdictional Commissioner of Customs in consultation with the Pay & Accounts Officer shall make arrangements for issue of authorization and drawback cheque books (wherever EDI facilities are not available for directly crediting the said amount to the Bank Accounts of the exporters).

The above procedure has now been modified to the extent that the Commissioners of Central Excise or Customs and Central Excise, as the case may be, may issue authorization to Dy./Asstt. Commissioners of Central Excise posted in Divisions under them for the purpose of disbursing drawback to DTA units against disclaimers issued by SEZ units/developers. The cheque book issued by the Pay & Accounts Officer of the jurisdictional Central Excise or the Customs and Central Excise Commissionerate, as the case may be, to the Central Excise Division for making refunds may be used for disbursement of drawback and the accounting procedure as laid down in the Principal, CCA's office letter No. Coord/2(8)/98/434 dated 13.06.2005 may be followed in this regard.

The complete text of above circular is available at www.cbec.gov.in

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Feedback

The Indirect Taxes Update is an endeavour of the Indirect Taxes Committee to apprise the readers about the amendments made in various central indirect tax laws vide significant notifications, circulars etc. We welcome your feedback on the Update and its contents.

Please email idthc@icai.org for feedback.

You can also write to:

Secretary
Indirect Taxes Committee
The Institute of Chartered Accountants of India
ICAI Bhawan A-94/4, Sector -58, NOIDA (U.P.) India
Telephone Direct - +91 120 3045 906 Telephone Board - +91 120 3989398 Ext. 906