

SERVICE TAX

Last date for filing of service tax returns extended to January 6, 2012

Central Board of Excise and Customs vide *Order No. 3 /2011 – ST F. No. 137/99/2011 – ST dated 29.12.2011* has extended the last date of submission of half yearly return for the period April 2011 to September 2011 from 26th December, 2011 to 6th January, 2012.

The due date was extended from 25th October, 2011 to 26th December, 2011 by the CBEC on 20.10.2011 to give time to the assesseees to adjust to the requirement of e-filing made mandatory for the first time vide *Notification No. 43/2011- ST dated 25.8.11*.

Now, the due date has been further extended in view of the fact that assesseees are facing problems in electronic filing of returns due to various reasons.

Refund of service tax to exporters through the Indian Customs EDI System (ICES)

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 17/2009-ST dated 07.07.2009* (as amended) subject to certain conditions.

Now, the Government has introduced a simplified scheme for electronic refunds of service tax to exporters vide *Circular No. 149/18/2011-ST dated 16.12.2011* on the lines of duty drawback. In the new scheme, exporters will have to either opt for electronic refund through ICES system, which is based on the 'schedule of rates' or go for refund on the basis of documents, by approaching the Central Excise/Service Tax formations.

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

- (i) 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) declare his option to avail STR on the electronic shipping bill while presenting the same to the proper officer of Customs. In the 'schedule of rates', to be notified shortly, rates are specified for goods of a class or description.

(iii) express his option by mentioning in the shipping bill, chapter/sub-heading number, 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. Minimum STR will be Rupees Fifty for an electronic shipping bill.

Exporters who opt for claiming STR on the basis of documents, through the Central Excise/Service Tax field formations should declare chapter/subheading number as 9801 in the electronic Shipping Bill.

[Circular No. 149/18/2011 ST dated 16.12.2011]

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