

CENTRAL EXCISE

Clarification regarding availment of CENVAT credit after six months

Notification No. 21/2014-Central Excise (N.T.) Dated: July 11, 2014 amended Rule 4(1) & 4 (7) CENVAT Credit Rules, 2004, to provide that a manufacturer or a service provider shall take credit on inputs and input services within a period of six months from the date of issue of invoice, bill or challan with effect from 1st September, 2014.

In this regard, CBEC vide *Circular No: 990/14/2014-CX-8 dated. November 19, 2014* has clarified that the purpose of the amendment made by Notification No. 21 is to ensure that after the issuance of a document under Rule 9(1) of the CENVAT Credit Rules, CENVAT credit is taken for the first time within six months of the issue of the document. Once this condition is met, the limitation would not apply for taking re-credit of amount reversed under Rule 3(5B), Rule 4(5) (a) and Rule 4(7) of CENVAT Credit Rules, 2004.

[Circular No: 990/14/2014-CX-8 dated. November 19, 2014]

Source: www.cbec.gov.in

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