

OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE  
NO.1, WILLIAMS ROAD, CONTONMENT, TIRUCHIRAPPALLI-620 001.

General Circular No.2/2008 S. Tax

Dated: 30-4-2008.

Subject: Service Tax – Refund of service tax paid on taxable services used by exporters which are not input services but could be attributable to export activities – Communication -Regarding.

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Copy of Ministry's letter F.No.341/15/2007-TRU dt. 17-4-2008 on above subject is enclosed herewith for information, guidance and necessary action.

(Issued from C.No.IV/16/943/2006 S.Tax )

Sd./-  
(VASA SESHAGIRI RAO)  
ADDITIONAL COMMISSIONER (T).

To  
The Mailing list - III.

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Copy of Board's Service Tax letter F.No.341/15/2007-TRU dt. 17-4-2008 is reproduced below.

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Subject: Refund of service tax paid on taxable services used by exporters which are not input services but could be attributable to export activities – Regarding.

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The Annual Supplement to the Foreign Trade Policy, 2004-09 announced on 19.4.2007 stated that service tax on services rendered and utilised by exporters would be exempted / remitted and the remission mechanism would be institutionalised after working out the modalities.

2. Committee of Secretaries (COS) examined the matter and decided that exemption from service tax could be notified and reimbursement of service tax based on receipts may be allowed provided linkage to export is established.

3. Accordingly, 16 taxable services have been notified and the service tax paid on these taxable services, which are attributable to exports even if they are not used as input services, shall be refunded to exporters [notification No.43/2007-ST, dated 29.11.07 and notification No.41/2007-ST, dated 06.10.07, as amended by notifications No.42/2007-ST, dated 29.11.07, No.03/2008-ST, dated 19.02.08 & No.17/2008-ST, dated 01.04.08].

4. Notifications No.41/2007-ST, dated 06.10.07 and No.43/2007-ST, dated 29.11.07 provide that the service tax paid on the specified taxable services by exporters shall be refunded in the prescribed manner subject to the conditions specified therein.

5. Board desires that refund of service tax paid on taxable services used by exporters for export goods should be disposed of expeditiously. The refund claims should be finalized within a maximum period of 30 days from the date of filing of refund claim. Commissioners are advised to put in place a system of review and monitoring the disposal of refund claims filed by the exporters.

6. Any refund claim filed by an exporter which is not disposed of within the maximum period of 30 days, for any reason whatsoever, should be reported by the Commissioner to the Chief Commissioner concerned in the proforma given below by the 10<sup>th</sup> of every month. If there is no such case, nil report should be sent.

Sr. No.	Name of the exporter	Date of filing of refund claim	Amount of refund sought	Reason for delay in processing the refund claim

7. Details of refund claims which are not disposed of within 45 days from the date of filing, for whatsoever reasons, should be sent by the Commissioner to Member (Service Tax) in the above mentioned proforma by email at [j.kulasekhar@nic.in](mailto:j.kulasekhar@nic.in) so as to reach by 10<sup>th</sup> of the following month with copy to Chief Commissioner concerned. Special efforts may be taken to dispose of the refund claims filed by small and medium exporters expeditiously.

8. This issues with the approval of Secretary (Revenue).

(G.G. Pai)  
Under Secretary (TRU)

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