The

REFUND OF INPUT TAX RULES, 1991

CONTENTS

The

REFUND OF INPUT TAX RULES, 1991

[1]**Notification No. S.R.O. 1045(I)/91, dated 14th October, 1991.** --- In exercise of the powers conferred by sub-section (2) of section 10 and section 50 of the Sales Tax Act, 1990, the Central Board of Revenue is pleased to make the following rules, namely:--

1. **Short title, application and commencement.** --(1) These rules may be called the Refund of Input Tax Rules, 1991.

(2) They shall come into force at once.

2. Refund of tax. -- (1) In case of exports, the amount of input tax not covered by the output tax shall be refundable to the exporter on the export of --

(a) Goods which were procured by the exporter on payment of sales tax;

(b) Goods which, by notification in the Official Gazette, have been exempted from sales tax or have been zero rated and for manufacture of which the tax paid raw-materials have been used; and

(c) Taxable goods as are manufactured by a registered person and are exported by him.

(2) In case the goods exported were procured by the exporter on payment of sales tax, the exporter shall be allowed refund of the amount of sales tax so paid, provided that he makes an application for such refund to the refund sanctioning authority at the customs station of export and the goods exported are found to be in order.

[1] Reported as PTCL 1992 St. 327

(3) The application for refund of sales tax under sub-rule (1) shall be accomplished by the following documents:---

(i) Quadruplicate copy of the bill of export endorsed by the Superintendent or Principal Appraiser (Exports) of the customs station of export indicating that the goods entered therein have been exported out of the country;
(ii) Airway bill or bill of lading;
(iii) Tax invoice endorsed by the Superintendent or Principal Appraiser (Exports) of the custom station of export indicating export general manifest number and date, receipt number and date, name of the vessel or conveyor and destination;
(iv) Bank credit advice, indicating that the sale proceeds of the said goods have been received in foreign exchange;
(v) Packing list; and
(vi) Such other documents as may be prescribed by the collector of Customs (Exports).

(4) On export of goods specified in clause (b) or clause (c) of sub-rule (1), the exporter shall be allowed repayment of input tax at the rate and in the manner as the Board may, by notification in the official Gazette, specify ; Provided that where the claim of the refund has been lodged by the registered person in respect of goods manufactured by him he shall, in addition to other documents, submit a certificate from the Assistant Collector of the area where the manufacturing unit is located to the effect that the registered person did not claim adjustment of input tax relating to goods exported by him against the output tax chargeable on the taxable supplies made by him.

*****