

**CIRCULAR No. 2 / 2013**

Sub: Kerala Value Added Tax – Refund through KVATIS - Rules & Procedures- Reg:-

As part of the e-Governance initiative in Commercial Taxes Department, it has been decided to introduce online filing of refund applications from 1<sup>st</sup> April 2013 onwards. This would enable speedy and transparent disposal of refund claims.

Presently, separate forms are prescribed under Kerala Value Added Tax Rules for claiming refund. Form No.21B is for refund of input tax in the case of interstate sales or stock transfer, Form No.21C for claiming refund in the case of export and Form No.21CC for claiming refund of input tax credit remaining unadjusted at the end of the financial year.

While switching over to the electronic mode some process re-engineering in the existing pattern is inevitable and thereby a new Form no.21AA is prescribed hereunder as annexure-I to facilitate online refund. This would be a common online refund application for the following type of claims:

- Refund against export sales.
- Refund of IPT in respect of capital goods.
- Refund of excess input tax credit at the end of the financial year.
- Refund of excess payment as a result of return revision.
- Refund of IPT for the stock held during transfer of registration type from PIN to TIN.
- Refund of tax paid in excess of 4% during interstate stock transfer.

The traders can submit the online refund application in KVATIS from their login. Separate applications have to be submitted for refund claim under different heads. The refund can be claimed only against the invoices uploaded in KVATIS while filing returns. The applicant must select the invoices from KVATIS. But invoice details are not required for submitting the application claiming refund of excess input tax credit at the end of the financial year. The details of statutory forms received from other states uploaded in KVATIS shall also be selected from the details uploaded in KVATIS.

Since the online transfer of funds is not facilitated by the State Treasury Department, credit of the refund amount to the trader's bank account is not possible at present. Therefore the trader shall choose one of the following options while submitting online refund application.

- ❖ Refund amount can be credited against tax dues in any future return.
- ❖ Manual Refund.

After submitting the online refund application in KVATIS, the applicant shall download and submit the hard copy of the application before the assessing authority along with documents to prove the claim. After due verification the officer shall allow/reject the claim in KVATIS by a speaking order within 60 days of filing of e-refund application. If the claim is allowed, the officer shall enter the eligible refund amount in KVATIS. If the applicant has opted for the refund amount as credit in any future return, the assessing authority can select the return type and period to which credit is to be allowed and the amount will be automatically reflected in the respective return period. If the dealer has opted for physical refund, the officer has to follow the existing procedures and update order details in KVATIS.

Only refund applications submitted through KVATIS will be accepted in assessment circle from 1<sup>st</sup> April 2013 onwards.

**COMMISSIONER**

**Annexure - I**

Ref. No.

Kerala Value Added Tax Rules, 2005

**Form No.21AA**

*See Rule 46(2), 47(1),47A*



(Application to be submitted online for Refund of input tax remaining unadjusted at the end of the year)

1	Application Type	REFUND OF EXCESS TAX AT CREDIT WHILE REVISING RETURN / REFUND OF INPUT TAX ON CAPITAL GOODS / EXCESS IPT ON TRANSFER FROM PIN TO TIN / EXPORT / STOCK TRANSFER / EXCESS IPT AS ON 31ST MARCH
2	Name of the Applicant	
3	TIN	
4	Amount of refund claimed	Rs.
5	Assessment Year	

6 Transactions

6A Invoice Details *(not required for refund claim of excess IPT as on 31st March)*

Supplier / Purchaser TIN	Supplier / Purchaser Name	Invoice No.	Invoice date	Invoice Amount	Tax paid	Refund claimed	Remarks

6B Inter-State Stock Transfer if any

Tax Rate	Value	Refund claimed in excess of 4%

7 Details of Forms received from other State:

8 Details of enclosures in support of the claim:

9 Whether refunded amount to be adjusted against the tax due in future returns ?

Yes / No

**Declaration**

Certified that the particulars furnished herein are true and correct in all respects, that no refund had been claimed previously in respect of the same claim, that goods forming subject matter of refund claim have not suffered sales return and that no dues are outstanding against us under this Act, Kerala General Sales Tax Act or Central Sales Tax Act.

Date :

Signature with Name and Status .