

MOST URGENT / TIME LIMIT

DIRECTORATE OF TREASURIES,
THIRUVANANTHAPURAM.
DATED: 25 - 03 - 2006.

No. E1-140 / 2006.

From

THE DIRECTOR OF TREASURIES.

To

All District Treasury Officers,

Sir.

Sub:- Refund of VAT to exporters and on interstate sales - Procedure to be followed for the drawl of claim – Orders issued.

Ref:- G.O.(Rt) No.1951/2006/Fin. Dated: 18-03-2006.

The Government in the order read as above has issued guidelines in regard to the refund of tax to the exporters and on interstate sales. Under section 13 of the KVAT Act,2003 - Applicable for the financial year 2005-2006 and instructions were issued to treasuries to honour the refund claims in refund bills prepared and presented to the treasury by designated commercial taxes department officials, on the strength of sanction orders issued by competent authority.

Now various treasury officers have raised doubts in terms of mode of withdrawal and other check measures to be followed in treasuries in this regard.

In the circumstances following directions applicable exclusively for the financial year 2005-2006, are issued to all the treasury officers, so as to enable to sort out maximum refund claim from Government of India and to evolve suitable system for easy refund of tax.

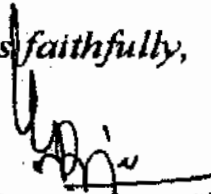
- 1) *The treasuries in the state will honour the refund bill prepared in from TR-65 and presented by designated commercial taxes departmental officers. The entries in Column No.1 to 6 and certificate No.2 in the bill form need not be insisted.*
- 2) *The bill along with valid sanction proceedings should be presented by the department officer through their bill book.*
- 3) *Separate budget allocation need not be watched as the refund is made out of deduct refund under revenue Head "0040 Tax on Sales, Trade ect. -110 Trade Tax-10-Deduct Refunds".*
- 4) *The above procedure will be applicable only to refunds under KVAT Act.2003 and the nature of claim should be shown distinctly on the top portion of the bill presented to the treasury.*

The Treasury officers are required to observe all other usual checks as followed in the case of other bills and should see that the above instructions are strictly adhered. Any further complaints in this regard will be viewed seriously.

Forms for withdrawal and related details for 2006-2007 will be prescribed later.

In the TIS 3.0 Software, this transaction should be taken in transaction type 23-Refund of revenue receipts (Bills). The sanction order should be recorded in the refund master-with the sanction order Number and Date, as Chalan Number and Date and Head of Account as "0040-00-110-10", before doing the transaction under transaction type 23 and refund should be based on this master record. In the transaction, the refund Head of Account will be "0040-00-110-10".

Yours faithfully,



FORDIRECTOR OF TREASURIES.