

No. Pr.CCA/CBEC/GST-IT/e-PAO(Refunds)/33/16-17/88(
Office of Principal Chief Controller of Accounts
Central Board of Excise & Customs
Ministry of Finance, Deptt. of Revenue
DGACR Building, 1st Floor
I.P Estate, New Delhi

29th January, 2018

OFFICE MEMORANDUM

Subject: Payment procedure in Central Government against the GST refund orders issued by State/UT Tax Authorities -- reg

Reference is invited to Department of Revenue, Ministry of Finance GST policy wing Circular No 17/17/2017-GST dated 15.11.2017 and Circular No 24/24/2017 GST dated 21.12.2017 regarding Manual filing and Processing of GST Refund claims. It has been stated in Para 4 of circular dated 15/11/2017 that

"The refund application for various taxes i.e. CGST / SGST / UTGST / IGST/ Comp. Cess can be filed with any one of the tax authorities and shall be processed by the said authority; however the payment of the sanctioned refund amount shall be made only by the respective tax authority of the Centre or State government. In other words, the payment of the sanctioned refund amount in relation to CGST / IGST / Comp. Cess shall be made by the Central tax authority while payment of the sanctioned refund amount in relation to SGST / UTGST would be made by the State tax/Union territory tax authority. It therefore becomes necessary that the refund order issued either by the Central tax authority or the State tax/UT tax authority is communicated to the concerned counter-part tax authority within three days for the purpose of payment of the relevant sanctioned refund amount of tax or cess, as the case may be.

2. In order to facilitate sanction of GST refund amount of Central tax and State tax by the respective tax authorities, it has also been mentioned in Para 6 of Circular No 24/24/2017 GST dated 21/12/ 2017 that **both the Central and State Tax authority shall nominate nodal officer(s) for the purpose of liaisoning through a dedicated e-mail id.**

3. In this regard, the detailed procedure for refund payment of CGST/IGST/Cess in the Central Govt. against the Refund Order issued by the State/UT Tax authority is prescribed as below:


- i. The State/UT Tax Authorities (as the case may be) will issue the GST refund order and communicate it through their respective State/UT Nodal Officer to the respective Central Nodal Officer.
- ii. The communication from the State/UT Nodal Officer to the respective Central Nodal Officer will be through e-mails along with scanned copies of GST RFD04, GST RFD06, the refund application GST RFD-01A and ARN (Acknowledgment Receipt Number) as attachments.

- iii. The Central Nodal officer after receiving the relevant documents from the State/UT Nodal Officers will forward them to the Jurisdictional Tax Authority of the Central Govt., who will then issue the Refund Payment advice (GST RFD-05) in favour of the concerned PAO and enter the details of the Refund Order in PFMS portal.
- iv. The DDO will generate the bill on PFMS portal and send the GST RFD-04/GST RFD-06 (issued by the State Tax Authority) and the GST RFD-05 (issued by the Central Tax Authority) to the PAO for payment along with the printed copy of the bill generated by PFMS.
- v. The bill will be passed by the concerned PAO and will be authorized by him for payment on PFMS Portal.
- vi. The Jurisdictional Tax authority of the Central Govt. will intimate the payments made to the tax payer to the Central Nodal Officer who will in turn intimate the same to the State Nodal Officer.
- vii. The PAO will also do the reconciliation of Refund Payment with each DDO.
- viii. The Process flow diagram of Refund Payment is also attached as Annexure 'A'

4. The refund payments made by each of the PAO will be reported on daily basis to Office of Pr.CCA, CBEC by email (gstcell-hq@gov.in).

5. The Zonal offices of Pr. CCA, CBEC will supervise the GST Refund Payment in their respective zones to ensure that there is no gap in the understanding of this process by the Refund Sanctioning authority, DDO and PAO. Therefore, there should not be any delays in the payment process consequent to issuance of this OM.

This issues with the approval of Pr. CCA, CBEC.


 (Manoj Sethi) 28.1.18.
 Chief Controller of Accounts

To:

1. All Pr. Chief Commissioners/Chief Commissioners of CGST
2. All Commissioners of CGST
3. Controller of Accounts (WZ), Dy. CA(EZ), ACA(SZ), ACA(NZ)
4. All Pay & Accounts Offices (CGST)

Copy for information to:

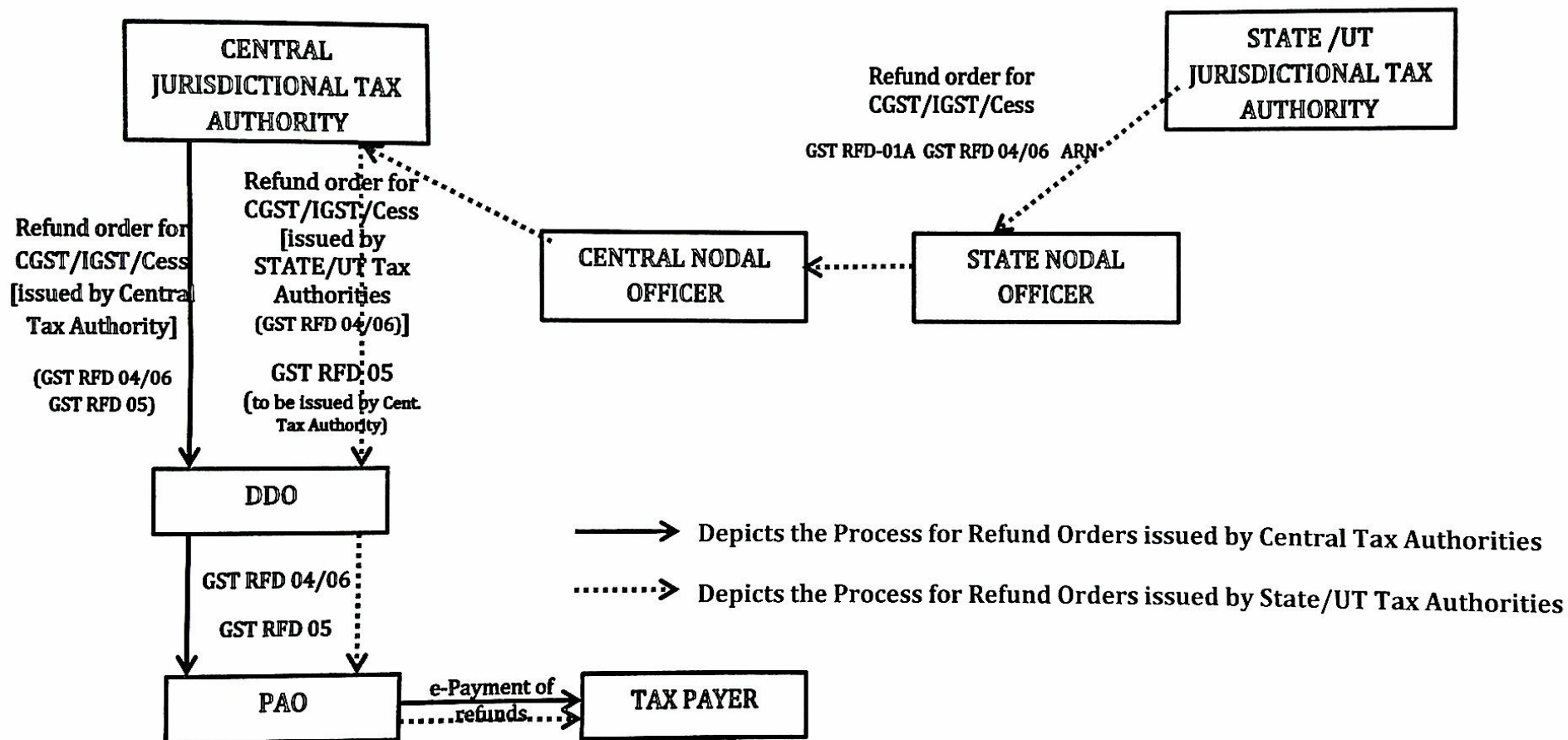
1. Chairman, CBEC, North Block, New Delhi.
2. Member (GST), Member (Customs), Member (IT), CBEC
3. Addl. Secretary (Revenue)
4. Addl. CGA, O/o CGA, New Delhi.
5. J.S (Revenue), MOF, North Block, New Delhi.
6. Commissioner (GST Policy)
7. OSD to Secretary (Revenue).

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 28.1.18.

PROCESS FLOW DIAGRAM

PAYMENT OF GST REFUND ORDERS ISSUED BY (I) CENTRAL TAX AUTHORITY (II) STATE TAX AUTHORITY



NOTE : Payment of GST Refunds in Central Government will be processed through PFMS Portal

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[Signature]
29.1.18.