

## Notifications

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#### **NOTIFICATION NO.41/2017 – INTEGRATED TAX(RATE)**

Government issued the above-mentioned notification to exempt taxing Inter State Supply of Goods to a recipient for export. However, for availing this benefit certain conditions have to be fulfilled which is summarised as under

- Registered supplier shall supply goods to the recipient on the basis of the strength of a tax invoice.
- Within 90 days from date of issue of invoice by the supplier the recipient shall export the goods.
- GSTIN of the supplier along with his tax invoice number shall be indicated in the shipping bills of bill of export.
- Recipient should be registered under Export Promotion Council or a commodity board recognized by commerce ministry.
- Recipient shall place an order on the supplier for purchase of goods at a concessional rate and copy of the same should be provided to the jurisdictional officer of the supplier.
- Recipient shall move the goods from the supplier directly to the port, Inland Container Depot or land customs station from where goods are exported or directly to a warehouse from where the goods shall move to the port, airport, Inland container Depot or Land customs station from where goods are to be exported.

### Notifications



- ❖ Tax Implications On Supplies to Merchant Exporter under GST

In the erstwhile Excise and Customs regime one could avail benefit of Merchant Exporter by executing a bond and obtain CT-1 certificate to procure goods for export. Under GST regime the concept of Merchant exporter was removed from the IGST Law earlier. But now has been inserted vide Notification No. 41/2017.

The receiver on receipt of goods for export are now eligible to claim benefits for exports which are similar to that of merchandise exporter and are exempted from payment of IGST on fulfilment of prescribed conditions. Thus Notification clearly grants benefit to a receiver exporter on fulfilment of documentation and has not prescribed procedures of bond/bank guarantee under the erstwhile merchant exporter rules ensuring that procedure and compliance mechanism is simple.

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