

Recovery & Refund of Customs Duty

Recovery of Customs Duty

- The confirmed demand i.e. arrear of customs duty are enforced and recoverable by Customs Authority
- The demand can be recovered according to the provisions of u/s 142 of Customs Act, 1962

Methods of recovery

- Recovery methods:
 - Adjusting with any dues to him from Customs Dept.
 - By selling goods which are under the control of Customs dept.
 - By detaining and attaching the movable and immovable goods which are under the control of assessee and to sale those
 - Customs Dept. sent notice to District collector to recover the dues like arrear in land revenue

Refund of Customs Duty

When?

- Duty paid on non-leviable goods
 - Lack of information
 - Non-submission of documents
- Paid duty in excess
- Paid interest in excess
- Sometimes refund arises
 - Re-import
 - Returned imported goods
 - Incorrect assessment of duty by customs

Time Limit for Refund claim

- Time limit for availing refund 1 year
 - Normally from the date of payment of duty & interest
 - For refund on ad-hoc order, from the date of order
 - For court judgment, from the date of judgment
 - From date of reassessment, if any
 - In case of purchase from importer, the date of such purchase
- The time limit is not applicable if duty is paid under protest

Process of claiming refund

- Application for refund:
 - Documents
 - Assessment
 - Sales invoice
 - Refund not received
- Scrutiny
 - Acknowledgement
 - Complete in all respect
 - Incomplete application, to be returned

Process of claiming refund

- Verification
- Refund
 - Refund the amount
 - With interest @6%, if applicable

Questions