

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**CENTRAL GOVERNMENT ISSUES NOTIFICATION TO PROVIDE
AVERAGE RATES OF SERVICE TAX REFUND FOR A WIDE RANGE
OF GOODS EXPORTED FROM INDIA; ADDS TO E-ENABLED
SERVICE DELIVERY TO EXPORTING COMMUNITY, LIMITS PUBLIC
INTERFACE AND REDUCES TRANSACTION COSTS IN OBTAINING
REFUNDS**

**New Delhi: Pausha 13, 1933
January 3, 2012**

The Central Government has issued a notification today to provide average rates of service tax refund, ranging from 0.03% to 0.20% of the F.O.B. value of export, for a wide range of goods exported from India. The average rate of refund is in respect of 18 identified services used beyond the factory gate. This is being done to implement the simplified scheme.

An announcement was made to this effect by the Union Finance Minister Shri Pranab Mukherjee in his Budget Speech 2011 for introducing a simplified scheme for the refund of service tax paid on services used for export of goods on the lines of drawback of duties.

As in the case of payment of duty drawback, the service tax refund will be enabled by the Indian Customs EDI System resulting in the amounts getting directly credited into the exporters' bank accounts within a few days of confirmation of export without additional export documentation. Customs Officers have separately been vested with powers of Central Excise/Service Tax Officers for this purpose.

The scheme adds to the e-enabled service delivery to exporting community, limits public interface as well as reduces transaction costs in obtaining refunds.

DSM/SS/GN