

Refund Companion for Master Trainers and Tax Officers***

Use Case	RFD-01	RFD-02	RFD-03	RFD-04	RFD-05	RFD-06	RFD-7B	RFD-7C	RFD-08	RFD-09	PMT-03
Description	Refund Application	Acknowledgement	Deficiency Memo	Provisional Refund Order	Payment Advice	Final Refund Sanction/ Rejection Order	Withholding Order	Release Order	Show Cause Notice	Reply to Show Cause Notice by the Taxpayer	Order for Recredit of Rejected Amount
Action by	Taxpayer	Tax Officer	Tax Officer	Tax Officer	Tax Officer	Tax Officer	Tax Officer	Tax Officer	Tax Officer	Taxpayer	Tax Officer
Current Status	Currently the taxpayer files refund application in form RFD-01A.	Currently, the tax officer issues RFD-02 manually.	Currently, the tax officer issues RFD-03 manually and there is no recredit of ITC/cash.	Currently, the tax officer issues RFD-04 manually and there is no validation on the amount being sanctioned i.e. officers can grant more than 90% amount also.	Currently, the tax officer issues RFD-05 manually and sends a copy to the central nodal authority and state AAs respectively.	Currently, the tax officer issues RFD-06 manually and there is no validation on the amount being sanctioned i.e. officers can grant more than the refund claimed also.	Currently, the tax officer issues RFD-07B manually.	Currently, the tax officer issues RFD-07C manually.	Currently, the tax officer issues RFD-08 manually.	Currently, the taxpayer submits reply to the show cause notice manually to the tax officer.	Currently, the taxpayer uploads the refund order details in RFD-01B and then the ITC gets recredited to the taxpayer's ITC ledger.
Changes for the Taxpayer	<p>The RFD-01A shall be disabled on the portal.</p> <p>The taxpayer shall be able to file his refund application in form RFD-01 now.</p> <p>However, the taxpayer shall be able to view the status of RFD-01A applications also along with the new ones.</p> <p>The bank account details mentioned in the refund application shall be validated by PFMS after filing of RFD-01.</p> <p>The taxpayer will need to change/ edit the bank account details (through non-core amendment) if there is failure of bank account validation by PFMS.</p> <p>The taxpayer shall be able to view the status of bank account validation.</p>	<p>The taxpayer shall be able to view the acknowledgement in RFD-02 on the front office.</p> <p>The taxpayer receives communication through email and message also.</p>	<p>The taxpayer shall be able to view the deficiency memo in RFD-03 on the front office.</p> <p>The taxpayer receives communication through email and message also.</p>	<p>The taxpayer shall be able to view the provisional sanction order in RFD-04 on the front office.</p> <p>The taxpayer receives communication through email and message also.</p>	<p>The taxpayer shall be able to view the payment advice in RFD-05 on the front office.</p> <p>The taxpayer receives communication through email and message also.</p> <p>The bank account details mentioned in the refund application shall be validated by PFMS after issuance of RFD-05 by the tax-officer.</p> <p>The taxpayer will need to change/ edit the bank account details (through non-core amendment) if there is failure of bank account validation by PFMS.</p> <p>The taxpayer shall be able to view the status of bank account validation and disbursement.</p>	<p>The taxpayer shall be able to view the final sanction/ rejection order in RFD-06 on the front office.</p> <p>The taxpayer receives communication through email and message also.</p> <p>The taxpayer shall be able to view the status of bank account validation and disbursement.</p>	<p>The taxpayer shall be able to view the withhold order in RFD-07B on the front office.</p> <p>The taxpayer receives communication through email and message also.</p>	<p>The taxpayer shall be able to view the manually issued RFD-07C only if uploaded in the RFD-05 by the tax officer. The taxpayer shall be able to download it.</p> <p>The taxpayer won't receive any communication through email and message in this case.</p>	<p>The taxpayer shall be able to view the show cause notice in RFD-08 on the front office.</p> <p>The taxpayer is expected to Give reply to the SCN within 15 days of receipt of the SCN. After 15 days, the tax officer can take action on the ARN.</p> <p>The taxpayer receives communication through email and message also.</p>	<p>The taxpayer shall be able to reply to the SCN and upload supporting documents electronically through RFD-09.</p>	<p>The taxpayer shall be able to view the recredit order in PMT-03 on his front office.</p>
Changes for the Tax Officer	<p>The tax officer will have two flows now, one in the older one i.e. for manual processing (RFD-01B route) and the other for the new one i.e. for electronic processing.</p> <p>The first RFD-01 filed by the taxpayer on 25th Sep shall flow into the new use case functionality.</p>	<p>The tax officer shall process the refund application and issue the acknowledgement electronically.</p>	<p>The tax officer shall process the refund application and issue the deficiency memo electronically.</p>	<p>The tax officer can sanction provisional refund in RFD-04 electronically.</p>	<p>The tax officer can issue payment advice in RFD-05 electronically.</p> <p>There won't be a need to send the copy to the central nodal authority and state AAs respectively.</p> <p>In the new functionality, the RFD-05 shall flow to PFMS and then to DDO/ e-PAO/ Banks electronically for disbursement.</p>	<p>The tax officer can sanction or reject the refund claimed through RFD-06 electronically.</p> <p>The tax officer can completely or partially adjust the refund amount claimed through RFD-06 only and not through RFD-07A.</p> <p>The tax officer can credit the refund claimed in CWF through RFD-06.</p>	<p>The tax officer can withhold the issuance of payment by issuing RFD-07B.</p> <p>The tax officer can partially withhold the refund amount through RFD-07B.</p>	<p>The tax officer shall need to issue the release order manually in RFD-07C template, sign it and upload it with RFD-05.</p> <p>The tax officer can issue partial release order also.</p>	<p>The tax officer can issue RFD-08 electronically.</p> <p>For the help of the tax officer, a template of SCN has been provided which can be downloaded, edited, converted into pdf and uploaded with the SCN.</p> <p>The tax officer can see those applications in a separate tab wherein the taxpayer has not replied to the SCN for more than 15 days.</p> <p>The tax officer can also fix the date and time of personal hearing in RFD-08.</p> <p>The tax officer can also issue RFD-08 for erroneously granted provisional refund.</p>	<p>The tax officer shall be able to see the replies received against RFD-08 issued on his dashboard.</p>	<p>The tax officer shall be able to recredit the rejected (inadmissible) ITC through PMT-03.</p>
Validations by the GST System	<p>The system shall create two paths one for manual processing of older claims and the other for electronic processing of new claims received on or after 25th Sep.</p>	<p>If the tax officer has taken no action on the refund application for more than 15 days, the ARNs of such refund applications shall be shown in red to the tax officer in his dashboard.</p> <p>Once RFD-02 has been issued by the tax officer, the system won't allow the issuance of deficiency memo in RFD-03.</p>	<p>Once RFD-03 has been issued against an ARN, the system won't allow any other action on the same ARN.</p> <p>There is auto recredit of ITC/ cash upon issuance of RFD-03.</p> <p>There is no need to issue PMT-03 after RFD-03.</p>	<p>There are only four categories of refunds against which provisional refund is allowed. In all other categories, the system won't allow the issuance of RFD-04.</p> <p>The maximum amount that can be granted provisionally is 90% and anything above this limit shall not be allowed by the system.</p> <p>However, there is no lower limit on the amount of provisional refund.</p> <p>Moreover, the percentage of provisional refund can be different for the major heads.</p> <p>The system won't allow the issuance of multiple RFD-04s against a single ARN.</p>	<p>The system allows multiple RFD-05 against single RFD-04/06.</p> <p>However, it validates the total amount in the sanction order and won't let the tax officer issue RFD-05s for an amount that exceeds the amount sanctioned through RFD-04/ 06.</p> <p>The officer shall not be able to issue RFD-05 if the bank account of the taxpayer has not been validated by PFMS.</p> <p>The system populates only those demands for complete/ partial adjustment that are unstayed.</p> <p>The tax officer can cross adjust the liabilities i.e. CGST/ SGST can be adjusted through IGST and vice versa.</p>	<p>The system throws only that amount in RFD-06 form that remains to be sanctioned after RFD-04. It means the system won't allow the issuance of RFD-06 if the total amount sanctioned (i.e. through RFD-04 and RFD-6) exceeds the refund claimed.</p> <p>The system won't allow the issuance of multiple RFD-06s against a single ARN.</p> <p>The system populates only those demands for complete/ partial adjustment that are unstayed.</p> <p>The tax officer can cross adjust the liabilities i.e. CGST/ SGST can be adjusted through IGST and vice versa.</p>	<p>The system will allow the withholding of final/ provisional refund only if the order has been issued by the taxpayer and RFD-05 is pending.</p>	<p>There are no validations on RFD-07C.</p>	<p>The system won't allow multiple issuance of SCN.</p> <p>The system won't allow the issuance of RFD-08 before issuance of RFD-02.</p> <p>The system won't allow issuance of RFD-08 after issuance of RFD-06.</p>	<p>The system would mark in red those ARNs for which reply has been received but no action has been taken for more than 15 days.</p> <p>The system won't allow the taxpayer to submit multiple RFD-09s.</p>	<p>PMT-03 shall be allowed only in those ARNs with respect to which ITC was first debited at the time of RFD-01 and then rejected through RFD-06.</p> <p>It is being proposed that a functionality be given to the taxpayer to take this undertaking after receipt of order in RFD-06.</p> <p>Only after the undertaking appears on the dashboard of the tax officer, he should be able to issue PMT-03.</p>
Features not available/ proposed at a later date	<p>In case there are two or more refund processing officers, individual officers will be able to see the refund history of only those ARNs which are allocated to him.</p> <p>It is being proposed to show the refund risk rating of the taxpayer on the dashboard along with the reasons of risk being displayed.</p>	<p>There is no auto issuance of acknowledgement if 15 days have elapsed after the submission of RFD-01 by the taxpayer.</p> <p>The system won't send any alert to the higher authority even after 15 days have elapsed after the issuance of RFD-02.</p>		<p>It is being proposed that once the percentage of provisional refund is entered into one of the major heads, the same percentage should get populated in the other major heads.</p>	<p>There is no link of withhold order (RFD-07B) and payment advice. It means the officer can issue RFD-05 even if there is a withhold order in RFD-07B against the ARN.</p> <p>The development of completely interlinked withhold and release functionality is under process and shall be deployed in the future.</p> <p>There is no auto-auto-calculation of interest amount and the system doesn't validate the interest amount i.e. its a free text field to be entered by the tax officer.</p>	<p>While rejecting the refund amount, the system doesn't validate whether SCN (RFD-08) has been issued against that ARN.</p> <p>If SCN has been issued against that ARN and 5 reasons were selected, while rejecting the amount in final order in RFD-06, the tax officer can select more reasons.</p> <p>There is no option to enter the inadmissible amount against the reasons selected for rejection in RFD-06.</p> <p>There is no validation by the system to disallow rejection of an amount greater than the amount mentioned in the SCN.</p>	<p>There is no link of withhold order (RFD-07B) and payment advice. It means the officer can issue RFD-05 even if there is a withhold order in RFD-07B against the ARN.</p> <p>The system won't disallow the issuance of RFD-06 even if a withhold order has been issued against the RFD-04 of the same ARN.</p> <p>The development of completely interlinked withhold and release functionality is under process and shall be deployed in the future.</p>	<p>The functionality to link RFD-05 with withhold and release order is under development and shall be deployed in the future.</p>	<p>There is a proposal to link RFD-08 with RFD-06 i.e. the system should not allow rejection of an amount if RFD-08 has not been issued against that ARN.</p> <p>The system won't disallow the tax officer to take action even if 15 days have not elapsed since the issuance of RFD-08. It means the tax-officer can take action immediately after issuing a SCN in RFD-08 and reject it.</p>		<p>There is no validation to disallow the filing of appeal by the taxpayer if he has given a declaration that he won't go in appeal against the order rejecting the inadmissible ITC.</p> <p>It is being proposed that a functionality be given to the taxpayer to take this undertaking after receipt of order in RFD-06.</p> <p>Only after the undertaking appears on the dashboard of the tax officer, he should be able to issue PMT-03.</p>
Due diligence required on part of the tax officer	<p>The tax officer should not attempt to process the refund applications received after 25th Sep manually and vice versa.</p>	<p>The tax officer should take immediate action on those applications/ ARNs which are shown in red on his dashboard.</p>	<p>The tax officer should take immediate action on those applications/ ARNs which are shown in red on his dashboard.</p>	<p>Once RFD-04 is issued, the tax officer can't change the amount or any other detail.</p> <p>The tax officer should view and verify the draft RFD-04 before issuance.</p> <p>The officer should enter the percentage of provisional refund in all major subheads.</p> <p>The tax officer should issue RFD-04 within 7 days of acknowledgement.</p>	<p>Payment advice need to be issued separately for RFD-04 and RFD-06 respectively.</p> <p>Once RFD-05 is issued, the tax officer can't change the amount or any other detail. The tax officer should view and verify the draft RFD-05 before issuance.</p> <p>The tax officer should upload the manual release order (in RFD-07C) template if he wishes to issue RFD-05 against a refund application withheld through RFD-07B.</p> <p>The tax officer should be careful while entering the interest amount.</p>	<p>Once RFD-06 is issued, the tax officer can't change the amount or any other detail. The tax officer should view and verify the draft RFD-06 before issuance.</p> <p>The tax officer must issue an SCN in RFD-08 if he wishes to reject some amount to follow principles of natural justice.</p> <p>The tax officer should not select more reasons for rejection than the reasons mentioned in the SCN.</p> <p>The tax officer should not reject an amount greater than the amount mentioned in the SCN.</p>	<p>The tax officer should upload the manual release order (in RFD-07C) template if he wishes to issue RFD-05 against a refund application withheld through RFD-07B.</p> <p>The officer should issue RFD-06 only after the manual issuance of release order in those cases where withhold order has been issued against provisional refund.</p>	<p>The tax officer should be extra careful while issuing the payment advice.</p> <p>While calculating the amount to be entered in RFD-05, he will need to keep in mind the amount withheld (completely or partially) and released (completely or partially).</p>	<p>The tax officer should start proceedings under Section 73 and 74 of the Act if refund has been erroneously granted by him. It means RFD-08 won't help if RFD-06 has been issued mistakenly.</p> <p>The tax officer should wait for at least 15 days after issuance of RFD-08 for the reply of the taxpayer before taking an action.</p>	<p>The tax officer should take immediate action on those ARNs for which RFD-09 has already been submitted by the taxpayer.</p>	<p>The tax officer must take an undertaking and then upload it while issuing PMT-03 that the taxpayer shall not go in appeal against the order rejecting the refund amount.</p>