

THE UTTARAKHAND VALUE ADDED TAX ACT, 2005

Sec. 37: Provisional Refund in case of Exporters:

(1) If a registered dealer has filed returns as required by or under this Act, and the returns show any amount to be refundable to the dealer on account of sale in the course of export, then the dealer may after the end of every quarter, apply in the manner prescribed, to the assessing authority for grant of provisional refund, if any, pending assessment.

(2) The said dealer shall furnish a Bank Guarantee or other security or documentary evidence of export the assessing authority shall, subject to the provisions of this section and the rules, grant the dealer within thirty days a provisional refund that may be found as refundable. The dealer shall keep the bank guarantee or security furnished by him valid up to the date of recovery of excess amount, if any, after final assessment:

(substitued vide notification no.- 1314/XXXVI(4)/2008 Dt. 31-03-2008 as above)

(2) The said dealer shall furnish a Bank Guarantee or other security to the satisfaction of the assessing authority, for an amount equal to the amount of the provisional refund. On receipt of such guarantee or other security, the assessing authority shall, subject to the provisions of this section and the rules, grant the dealer within thirty days a provisional refund that may be found as refundable. The dealer shall keep the bank guarantee or security furnished by him valid up to the date of recovery of excess amount, if any, after final assessment:

Provided that if the amount found refundable is not refunded to the dealer within the period prescribed, the dealer shall be entitled to simple interest on such amount at the rate of nine percent per annum.

(3) The assessment under this Act of such dealer in respect of the year containing the period covered by the said return will be taken up as early as practicable and the provisional refund against tax due, if any, as a result of the assessment shall be adjusted.

(4) If, on assessment, the provisional refund granted under sub-section (2) is found to be in excess, then the excess amount of refund shall be recovered from the dealer along with interest as if it were tax admittedly due from the dealer under this Act.

(5) Interest will be charged at the rate of fifteen percent per annum from the date of grant of provisional refund, till the date of payment of such amount.