

FAQs > Processing the Refund Application (RFD-01)

General

1. How can I process refund applications filed by the taxpayer?

Refund Application Filed by Taxpayer	Form Name	Processing of Refund Application	View Submitted Orders	Processing by Tax Official
Filed before 24 th Sep, 2019	RFD-01B	Navigate to Refund > Refund > RFD- 01B: Enter Refund Processing Detail	Navigate to Refund > Refund > View Submitted Orders	Notices are manually issued by the Tax Official and are not available on the GST Portal for taxpayers to view. Orders are issued manually and it will be updated on the system through RFD 01B functionality.
Filed on and after 24 th Sep, 2019	RFD-2,3,4,5,6,7,8 and PMT-03	Navigate to Dashboard > Refund Tab > Search ARN > Case Details page	Navigate to Dashboard > Refund Tab > Search ARN > Case Details page > Orders	The functionality to issue online deficiency memo, acknowledgment, notices, orders etc. and reply to Show Cause Notice by Tax Official is now available on GST Portal for taxpayer to view.

2. What are the pre-conditions to process the refund application?

Listed below are the pre-conditions to process the refund application:

1. Refund application has been filed and ARN has been generated.
2. Refund Processing Officer has the jurisdictional authority over the taxpayer.

3. What are the steps involved in processing the refund application?

Listed below are the steps involved in processing of the refund application:

1. Taxpayer files the refund application on the GST Portal in **Form GST RFD-01**. Such application will be available at the Dashboard of Tax Official as pending work item.
2. The refund application filed by the taxpayer has to be processed by the Refund Processing Officer.
3. Refund Processing Officer will scrutinize the application and attachments filed by the taxpayer.
 - On the basis of scrutiny of the refund application and attachments filed by the taxpayer, if the refund application is found to be complete in all aspects, Acknowledgement in [Form GST RFD-02](#) will be issued by the Refund Processing Officer, within 15 days from the date of filing of the refund application.
 - On the basis of scrutiny of the refund application and attachments filed by the taxpayer, in case, any deficiencies are noticed in refund application, Deficiency Memo will be issued in [Form GST RFD-03](#) on the refund application by the Refund Processing

Officer. In case of issue of Deficiency Memo in Form GST RFD-03, there would be auto re-credit of refund claimed amount in Electronic Cash/ Credit Ledger, if the ledger has been debited at the time of filing refund application. In this case, the taxpayer need to file a fresh refund application for the same period again, if needed, after rectification of the deficiencies mentioned in deficiency memo.

- Refund Processing Officer can issue online notice for rejection of application for refund or Recovery of erroneously granted refund for seeking any clarification in [Form GST RFD-08](#), if required.
- Taxpayer is required to furnish reply to the notice (issued in Form GST RFD-08) in **Form GST RFD-09** online on GST Portal, within 15 days of issuance of notice. If the tax payer doesn't reply to the show cause notice within 15 days, then the status of the refund application will be changed to "Pending for Order-Reply not received" and the Refund Processing Officer can proceed to issue the final order.
- Tax Official may issue Provisional Refund Order in [Form GST RFD-04](#) within 7 days from the date of acknowledgement up to 90% of the refund claimed amount, if the tax payer is eligible to get provisional refund. Refund Processing Officer can issue Provisional Order in **Form GST RFD-04** in following cases:
 - Refund in case of export of services with payment of tax
 - Refund of accumulated ITC in case of export of goods/services under Bond/LUT without payment of integrated tax.
 - Supplies made to SEZ Unit/SEZ Developer with payment of Tax
 - Supplies made to SEZ Unit /SEZ Developer without payment of Tax
- Refund Processing Officer will issue Refund Sanction/ Rejection Order in [Form GST RFD-06](#).

Note:

- In case of refund applications, in which provisional refund order has been issued in **Form GST RFD-04**, the final order **Form GST RFD-06** will quantify the total sanctioned amount out of the claimed amount and the net balance amount will be sanctioned by issuing Form GST RFD-06, after further verification and examination of the application by the Tax Official.
 - In case of complete adjustment of refund, Refund Processing Officer may issue it via Form GST RFD-06.
- Payment Advice needs be issued in [Form GST RFD-05](#) after issuance of **Form GST RFD-04** or **Form GST RFD-06** in case of sanction of refund.
 - The sanctioned refund amount may be withheld by the Refund Processing Officer by issuing [Form GST RFD-07 \(Part B\)](#). In such case, Tax Official will not issue Form GST RFD-05, till the withheld order is in operation.
 - Order for re-credit of the amount to Electronic Cash or Credit ledger on rejection of refund claim ([Form GST PMT-03](#)) is required to be issued in case if
 - the ledger has been debited at the time of filing refund application for such amount and
 - refund is rejected for such amount by officer by issue of an Order in Form GST RFD-06.

[Click each hyperlink above to know more.](#)

4. From where can I process the refund application filed by the taxpayer?

Login to the GST Portal. Navigate to **Dashboard > Refund** tab to process the refund application filed by the taxpayer.

5. What are the various tabs available to the Tax Official while processing the refund application submitted by the taxpayer?

Listed below are the various tabs available to the Tax Official while processing the refund application submitted by the taxpayer:

- Applications: To view filed refund application by the taxpayer
- Notice/ Acknowledgement: To issue notices to the taxpayer
- Replies: To view the replies filed by the taxpayer
- Orders: To issue orders on the refund application of the taxpayer
- Reference: To uploaded additional document related to processing of refund application
- Audit History: To view audit history related to processing of refund application

6. From where can I view the refund application filed by the taxpayer?

Login to the GST Portal. Navigate to **Dashboard > Refund** tab > **Search ARN > Select ARN > APPLICATIONS** option.

7. What are the various status while processing refund application?

Listed below are the various status while processing refund application:

1. **Acknowledged:** When Refund Processing Officer issues Acknowledgement in **Form GST RFD-02**
2. **Deficiency Memo Issued:** When Refund Processing Officer issues Deficiency Memo in **Form GST RFD-03**
3. **Pending for Processing:** When taxpayer files refund application and the same is pending for processing by Refund Processing Officer
4. **Provisional Order Issued:** When Refund Processing Officer issues Provisional Order in **Form GST RFD-04**
5. **Pending for Order-Reply Received:** When taxpayer replies in **Form GST RFD-09** to SCN issued by Tax Official in **Form GST RFD-08**
6. **Pending for Order-Reply not Received:** When taxpayer doesn't reply in **Form GST RFD-09** to SCN issued by Tax Official in **Form GST RFD-08** within the time limit provided
7. **Refund Applications Withheld:** When Refund Processing Officer issues refund withheld order in **Form GST RFD-07 (Part B)**.
8. **Refund Rejected:** When Refund Processing Officer issues **Form GST RFD-06** and Refund claimed is rejected
9. **Refund Sanctioned:** When Refund Processing Officer issues **Form GST RFD-06** granting Refund of full amount, as claimed by the taxpayer
10. **Refund Sanctioned Partially:** When Refund Processing Officer issues **Form GST RFD-06** and Refund sanctioned is less than the amount claimed by the taxpayer
11. **Show Cause Notice Issued:** When Refund Processing Officer issues Show Cause Notice in **Form GST RFD-08** for seeking any clarification to the taxpayer

Issue Notices and Orders

8. What is the time frame for issuance of acknowledgement in Form GST RFD-02 or deficiency memo in Form GST RFD-03?

After filing of refund application by the taxpayer, the Refund Processing Officer must issue acknowledgement in **Form GST RFD-02** within 15 days, if the application is complete in all respects. If the application is found to be deficient, then he may issue deficiency memo in **Form GST RFD-03**.

9. From where can I issue notice to the taxpayer while processing the refund application filed by the taxpayer?

Login to the GST Portal. Navigate to **Dashboard > Refund tab > Search ARN > Select ARN > NOTICE/ ACKNOWLEDGEMENT** option.

10. What is the time frame for a taxpayer to reply to the notice issued by the Tax Official while processing the refund application filed by the taxpayer?

Taxpayer need to reply to the notice within 15 days from the date of service of notice to give explanations and submit documents regarding the discrepancies mentioned in the notice.

11. What a Tax Official needs to do in case a taxpayer has not replied to the Show Cause Notice issued by the Tax Official while processing the refund application filed by the taxpayer?

If the tax payer doesn't reply to the show cause notice within 15 days, then the status of the refund application will be changed to "Pending for Order-Reply not received" and the Refund Processing Officer can proceed to issue the final order.

12. From where can I view the reply filed by the taxpayer while processing the refund application?

13. From where can I issue order to the taxpayer while processing the refund application filed by the taxpayer?

Login to the GST Portal. Navigate to **Dashboard > Refund tab > Search ARN > Select ARN > ORDERS** option.

14. Does a taxpayer get any intimation about the notice or order issued to them?

Taxpayer will get intimation about all notices and orders issued to him/her through SMS and e-mail on their registered mobile number and email ID.

15. From where can I add additional documents related to processing the refund application?

Login to the GST Portal. Navigate to **Dashboard > Refund tab > Search ARN > Select ARN > REFERENCES** option. The documents which are only for the reference of the Tax Officials/ department needs to be added by Tax Official in "References" section. The documents added in this section will not be shown to the taxpayers.

16. Provisional Order in Form GST RFD-04 is applicable for which refund applications?

Provisional Order in Form GST RFD-04 is applicable in case of following refund applications:

- Refund on account of Export of Services with Payment of Tax
- Refund on account of Export of Goods/ Services without Payment of Tax
- Refund on Account of Supplies made to SEZ Unit/ SEZ Developer (With Payment of Tax)
- Refund on Account of Supplies made to SEZ Unit/ SEZ Developer (Without Payment of Tax)

Issue Deficiency Memo

17. Should I issue PMT-03 for the amount rejected in Deficiency Memo?

No. You need not issue PMT-03 for the amount rejected in Deficiency Memo. In case of issue of Deficiency Memo, there would be auto re-credit of refund claimed amount in Electronic Cash/ Credit Ledger of the taxpayer, if the ledger has been debited at the time of filing refund application.

18. What will happen once a deficiency memo is issued to the taxpayer?

Once a deficiency memo is issued, taxpayer need to file a fresh refund application with distinct ARN. Tax Official can issue a deficiency memo, when there is any deficiency noticed in the refund application filed by the taxpayer.

Tax Official need not issue Form GST PMT-03 for the amount rejected via issuance of Deficiency Memo. In case of issue of Deficiency Memo, there would be auto re-credit of refund claimed amount in Electronic Cash/ Credit Ledger of the taxpayer, if the ledger has been debited at the time of filing refund application.

19. What if the Tax Official is not satisfied with the reply filed by taxpayer in Form GST RFD-09, for the notice issued by Tax Official in Form GST RFD-08?

If taxpayer fails to submit proper explanation, within due date or extended due date, Refund Processing Officer can still issue, Refund Rejection/ Sanction Order.

The taxpayer need to submit proper explanation while replying in Form GST RFD-09, for the reasons/issues mentioned by Tax Official in notice issued in Form GST RFD-08. The Tax Official will consider the reply filed by the taxpayer. In case, the taxpayer does not reply to the notice within the stipulated time or the Tax Official is not satisfied with the reply filed by the taxpayer, he may proceed further to

issue Refund Rejection/ Sanction Order in Form GST RFD-06, for sanctioning the amount of refund in whole or part or rejecting the said refund claim, respectively.

Issue Provisional Refund Order

20. What can be done if it is found at the time of verification that taxpayer was not eligible for the refund provisionally sanctioned to him?

In case, the amount released by provisional refund order (Form GST RFD 04) is more than the amount sanctioned vide Order, in such case, demand proceeding for such erroneous refund can be initiated under Section 73/74 by the tax official against the taxpayer. Any recoverable amount will be taken care by the Tax Official through Assessment module with a separate case ID.

21. What is the process of withholding the refund application?

In case, Tax Official finds any reason for withholding the refund application for the amount which is already sanctioned through Form GST RFD-04 or Form GST RFD-06, then the refund can be withheld by issuing Form GST RFD-07B, before issuing payment advice in Form GST RFD-05. Tax Official need to process the case offline for the verification of withheld amount and after due verification, in case Tax Official wants to release the withheld amount, he can proceed further to issue payment advice on GST Portal.

View Audit History

22. From where can I view the audit history while processing the refund application?

To view the history details or action taken on refund application filed by taxpayer, navigate to **Dashboard > Refund tab > Search ARN > Select ARN > Audit History** option.