

FAQ

RFD 11 & LOU / LUT for export of goods & Services

1. What is RFD 11?

- **Form RFD-11 is a GST refund application form that is furnished if a taxpayer wants to make exports transactions without payment of IGST.** Filing Letter of Undertaking (LUT) in form RFD-11 has been made mandatory by the government as per rule 96A of CGST Rule-2017 notified by GST Notification No. 16/2017 dated 07-07-2017. LUT has to be filed /submitted online before exporting the goods/services.
- To explain in simple terms, any registered person availing the option to supply goods or services for export without payment of IGST needs to furnish, a bond or a LUT in Form GST RFD-11.

2. Is it mandatory to mention LUT number on invoice?

- For goods and services exported without payment of GST, it should be mentioned on the invoice that it is "Supply meant for export under LUT without payment of IGST."

3. When to apply/file an LUT?

- Letter of undertaking has to be filed /submitted online before exporting the goods/ services.

4. How can I get LUT for export under GST?

- Steps to furnish LUT on the GST portal

Step 1: Login to GST Portal.

Step 2: Go to 'SERVICES' Tab > 'User Services' > Select 'Furnish Letter of Undertaking (LUT)'

Step 3: Select the financial year for which Letter of Undertaking is applied for from the 'LUT Applied for Financial Year' drop-down list.

Step 4: Fill up the necessary details on the Letter of Undertaking Form/ GST RFD-11 that appears on the screen.

5. What happens if LUT is not filed?

- If LUT is not filed, the exporter must first pay the required tax while making exports and then claim a refund to avail benefit of zero-rated exports.

6. Can LUT be filed after due date?

- LUT is valid from the date of filing till next of 31st March. For instance, Mr. X has filed LUT on 30/09/2019; hence the LUT is valid till 31st March 2020. LUT for the following or next year is required to be filed on GST portal on or before 31st March.

7. What if export is done without LUT?

- If the goods are not exported within the specified time and the registered person fails to pay the mentioned amount, the export as allowed under bond or Letter of Undertaking shall be withdrawn forthwith and the said amount shall be recovered from the registered person accordingly.

8. **How do I check my LUT status?**

- Access the GST Portal at www.gst.gov.in URL. ...
- Login to the GST Portal with valid credentials.
- Click the Services > User Services > View My Submitted LUTs command.

- 1. A taxable person's business is in many states. All supplies are below 10 Lakhs. He makes an Inter State supply from one state. Is he liable for registration?**
 - He is liable to register if the aggregate turnover (all India) is more than 20 lacs (Rs. 10 lacs in Special Category States) or if he is engaged in inter-State supplies.
- 2. Not liable to tax as mentioned u/s 23 of CGST means nil rated supply or abated value of supply?**
 - Not liable to tax means supplies which is not leviable to tax under the CGST/SGST/IGST Act. Please refer to definition under Section 2(78) of the CGST Act.
- 3. Whether civil contractor doing projects in various states requires separate registration for all states or a single registration at state of head office will suffice?**
 - A supplier of service will have to register at the location from where he is supplying services.
- 4. When is registration in other state required? Will giving service from Nasik to other state require registration in other state?**
 - If services are being provided from Nasik then registration is required to be taken only in Maharashtra and IGST to be paid on inter-state supplies.
- 5. Please tell if rental income up to 20 lacs attracts GST or attracts any other charge?**
 - GST is leviable only if aggregate turnover is more than 20 lacs. (Rs. 10 lacs in 11 special category States). For computing aggregate supplies turnover of all supplies made by you would be added.
- 6. If someone trades only 0% GST items (grains, pulses) then is it necessary to register for GST, if the turnover exceeds ₹20 lacs?**
 - A person dealing with 100% exempted supply is not liable to register irrespective of turnover.
- 7. Is it correct that person dealing exclusively in NIL rated or exempt goods/ services liable to register if turnover > 20/10 Lakh?**
 - There is no liability of registration if the person is dealing with 100% exempt supplies.
- 8. Is separate registration required for trading and manufacturing by same entity in one state?**

- There will be only one registration per State for all activities. But, you have the option to be registered as a separate business vertical.

9. Is there any concept of area based exemption under GST?

- There will be no area based exemptions in GST.

10. How long can I wait to register in GST?

- An unregistered person has 30 days to complete its registration formalities from its date of liability to obtain registration.

11. If I am not an existing taxpayer and wish to newly register under GST, when can I do so?

- You would be able to apply for new registration at the GST Portal gst.gov.in.

12. Can an unregistered dealer supply goods to other States if his turnover is below Rs. 20 lakhs?

- No. The supplier would be liable to obtain registration in case of inter-State supplies irrespective of his turnover.

13. Can a person operating two different companies with different names but with same PAN get two GST registrations?

- One PAN holder gets one registration in every state, but he has the option of getting different registrations for different business verticals.

14. Whether job worker is required to register? Whether composition scheme is available to a job worker?

- Job workers making taxable supplies above the threshold aggregate turnover need to register. Composition scheme is not available to job-workers. They, however, can avail benefit of section 143 of the CGST Act.

15. I am a service provider with turnover of Rs. 50 lakhs in one state only. Am I eligible for the composition scheme?

- Service providers, except restaurants/caterers, are not eligible for composition scheme.

16. Can I register as a normal taxable person now and avail of the composition scheme later?

- You can opt for composition scheme from the beginning of the next financial year on submitting the option to avail composition scheme before beginning of the financial year. It may please be noted that composition scheme cannot be availed from the middle of a financial year.

17. If I was registered earlier but am not required to register under GST, what to do about provisional ID and accumulated ITC?

- Please apply for cancellation of registration under Section 29(1) of the CGST Act, 2017 read with Rule 24(4) of CGST Rules, 2017. You will be required to calculate and pay ITC availed on goods held in stock on the date of cancellation of registration.

18. I have not received ARN or have received ARN but not GSTIN, how do I supply goods or services or both?

- You can supply goods or services or both on bill of supply without mentioning GSTIN and/or ARN. On receipt of GSTIN, you will need to issue revised invoice mentioning GSTIN. You are required to reflect this supply in your return and also pay tax thereon.

19. Is GST registration mandatory for small retailers to buy from dealers/wholesalers?

- There is no such requirement under GST law.