

No fee for adjournment, clarifies Tribunal

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Tuesday

Taxindiaonline had last week carried an article CESTAT, Chennai joins FM in his revenue drive!. The article had pointed out that the Chennai bench of the CESTAT has recently insisted that a fee of Rs. 500/- should be paid even for adjournments in the Tribunal. The article had pointed out that sometimes adjournments are sought mid way through the arguments and at that point of time it would be difficult to get a draft for Rs. 500/-.[\(Click here to see our report \)](#).

We are happy to report that the Tribunal has now clarified that there is no fee for adjournments in the Tribunal. In CESTAT Public Notice No. [1/2005](#)

, the Vice President Ms Jyoti Balasundaram has clarified that requests for adjournments are not considered to be formal applications and so no fee is required to be paid. Taxindiaonline thanks the Hon'ble Vice President for the prompt clarification.

CESTAT PN No. [1/2005](#)

From today, no clearance of petroleum products from one customs warehouse to another

From 4.9.94, the warehousing facility for petroleum products under Central Excise was withdrawn and it was only a natural corollary that it would follow in the Customs side too, soon and it has come rather late. Petroleum products are normally kept in warehouses in the importing stations and from there they are transferred to inland stations also without payment of duty under the warehousing provisions. Now the Government has withdrawn this facility for imported petroleum products with effect from the midnight of 15.2.2005. Now warehousing facility will be allowed only at the port of import and further movement to hinterland has to be on payment of duty only. Board wants these hinterland warehouses to be de-bonded immediately and duty realised without causing any hindrance to the movement of petroleum products and any precipitate action. A tough job indeed for the field! Is it another way to boost the sagging revenue collection?

[CIRCULAR NO.8/2005, Dated : February 14, 2005](#)

Export under bond - AED on Motor spirit and HSD

An issue before the Board was whether

- (a) AED on Motor Spirit levied under section 111 of the Finance Act, 1998 read with section 167 of the Finance Act, 2003.
- (b) AED on High Speed Diesel (w.e.f. 1.3.1999) under Section 133 of the Finance Act, 1999 read with section 168 of the Finance Act, 2003.
- (c) SAED on Motor Spirit under section 147 of the Finance Act, 2002.

are required to be paid while exporting goods under bond. Board has now emphatically clarified that these additional duties are NOT required to be paid while exporting under bond. A good clarification indeed! But this leaves a major question yet to be answered.

Will this facility be allowed for clearances to EOUs which are deemed exports?

Many EOUs are made to pay these additional duties. Recently a Development Commissioner was heard lamenting that many in the country did not even know what these additional duties are but the poor EOUs are made to pay them. Let us hope the good Board will clarify this too.

[CIRCULAR NO. 807/4/2005-CX, Dated: February 10, 2005](#)

Service Tax - Registration for GTA - date extended

As per Rule 4 of the Service Tax Rules, every person liable for paying Service Tax should get registered within 30 days from the date of levy. So the goods Transport Agencies should have got registered by 31st January 2005, which obviously many have not done so far. Now the

Government has extended this date till 28th February 2005.

[NOTIFICATION. No. 2 /2005- Service Tax Dated the 14th February 2005](#)

DGFT notifies ceiling for export of stone and sand to Maldives

As per the Export Policy, export of sand and soil falling under Chapter 25 is restricted. However export to Maldives was permitted for the year 2004-05 subject to a ceiling. Now the policy is amended to refix the ceiling for 2005-06.

[DGFT DGFT NOTIFICATION NO. 21/\(2004-2009\), Dated: 10.02. 2005.](#)

Import of wild birds, hatching eggs, pig meat etc - prohibition to continue.

As per the condition stipulated at Sl. No. 16 of Chapter I A (General Notes to Import Policy) to Schedule-I of the ITC (HS) Classifications of Export and Import Items 2004-2009, import of items like wild birds, hatching eggs etc, are prohibited. Now DGFT has extended this prohibition for another six months.

[DGFT NOTIFICATION NO. 22/2004-09, Dated: February 10, 2005](#)

SEZs included in list of ports for advance licence

As per para 4.19 of the Handbook of procedure for the FTP 2004-09, Advance licence should be used only for export and import through certain specified ports. Now the SEZs of Santacruz, Kandla, Kochi, Vishakhapatnam, Chennai, FALTA, Surat and NOIDA are added to the list.

PUBLIC NOTICE NO. 52 /2004-2009, Dated : February 11, 2005Is income from smuggling liable to Income Tax and if so can deduction be claimed when the smuggled goods are confiscated? - See Breaking News for interesting case

Until tomorrow with more of DDT

Have a Nice Day

Mail your comments to vijaywrite@taxindiaonline.com