

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

CLAUSE(S) OF FINANCE BILL, 2018	PARTICULARS OF AMENDMENTS / INSERTIONS	CHAPTER/ SECTION/ PROVISIO	AMENDMENT / NEWLY INSERTED	APPLICABLE W.E.F.	BRIEF OF AMENDMENT / INSERTIONS
54	Amendment in words “Import Manifest” and “Export Manifest”	Customs Act 1962	Amendment	-	Words “Import manifest” shall be substituted by “Arrival Manifest or Import Manifest” and the word “Export Manifest” shall be substituted by “Departure Manifest or Export Manifest”.
55	Extend the scope of Customs Act to offences committed out of India	Section 1	Amendment	-	After the word “India”, the words “and, save as otherwise provided in this Act, it applies also to any offence or contravention thereunder committed outside India by any person” shall be inserted.
56	Amendment in Definitions in clause (2) of sec 2	Section 2	Amendment	-	<p>(i) for clause (2), the following clause shall be substituted, namely:-</p> <p>(2) “assessment” means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this Act or under any other law for the time being in force , with reference to-</p> <p>(a) the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act;</p> <p>(b) the value of such goods as determined in accordance with the provisions of the Custom Tariff Act;</p> <p>(c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefor under this Act or under the Customs Tariff Act or under any other law for the time being in force;</p> <p>(d) the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods;</p> <p>(e) the origin of such goods determined in accordance</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					<p>with the provisions of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods;</p> <p>(f) any other specific factor which affects the duty, tax, cess or any other sum payable on such goods, and includes provisional assessment, self-assessment, re-assessment and any assessment in which the duty assessed is nil;’</p> <p>(ii) in clause (6), for the words “Central Board of Excise and Customs”, the words “Central Board of Indirect Taxes and Customs” shall be substituted;</p> <p>(iii) in clause (28), for the words and figure “contiguous zone of India under section 5”, the words and figure “Exclusive Economic Zone under section 7” shall be substituted;</p> <p>(iv) after clause (30A), the following clause shall be inserted, namely:— ‘(30AA) “notification” means notification published in the Official Gazette and the expression “notify” with its cognate meaning and grammatical variation shall be construed accordingly;’.</p>
57	The restriction or prohibition on import or export of goods shall be applicable only when it is mentioned under Customs Act also	Section 11, subsection (2)	Amendment	W.e.f. such date as the Central Government may by notification in the Official Gazette appoint	In the Customs Act, in section 11, after sub-section (2), the following sub-section shall be inserted namely:— “(3) Any prohibition or restriction or obligation relating to import or export of any goods or class of goods or clearance thereof provided in any other law for the time being in force, or any rule or regulation made or any order or notification issued thereunder, shall be executed under the provisions of that Act only if such prohibition or restriction or obligation is notified under the provisions of this Act, subject to such exceptions, modifications or adaptations as the Central Government deems fit.”.

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

58	Major Changes in assessment and selection of cases duty	Section 17, subsection (2),(3),(5),(6)	Amendment	-	<p>(i) in sub-section (2),—</p> <p>(a) for the words “the self-assessment of such goods”, the words “the entries made under section 46 or section 50 and the self-assessment of goods referred to in subsection (1)” shall be substituted;</p> <p>(b) the following proviso shall be inserted, namely:— “Provided that the selection of cases for verification shall primarily be on the basis of risk evaluation through appropriate selection criteria.”;</p> <p>(ii) in sub-section (3), for the words “verification of self-assessment”, the words “the purposes of verification” shall be substituted;</p> <p>(iii) in sub-section (5), the words “regarding valuation of goods, classification, exemption or concessions of duty availed consequent to any notification issued therefor under this Act” shall be omitted;</p> <p>(iv) sub-section (6) shall be omitted.</p>
59	Extending the scope of provisional assessment	Section 18, subsection (1), (3)	Amendment	Sub-section (3) W.e.f. 8 th April, 2011	<p>(i) in sub-section (1), in the opening portion, after the word and figures “section 46”, the words and figures “and section 50” shall be inserted;</p> <p>(ii) after sub-section (1), the following sub-section shall be inserted, namely:— “(1A) Where, pursuant to the provisional assessment under sub-section (1), if any document or information is required by the proper officer for final assessment, the importer or exporter, as the case may be, shall submit such document or information within such time, and the proper officer shall finalise the provisional assessment within such time and in such manner, as may be prescribed.”;</p> <p>(iii) in sub-section (3), for the figures and letters “28AB”, the figures and letters “28AA” shall be substituted and shall be deemed to have been substituted retrospectively.</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

60	<p>Insertion of new sections regarding Power to Central Govt to provide exemption for import or export goods for repair, further processing and manufacturing.</p>	<p>Section 25A and 25B</p>	<p>Insertion of new sections</p>	-	<p>25A. Where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt such of the goods which are imported for the purposes of repair, further processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely:—</p> <p>(a) the goods shall be re-exported after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order for clearance of the imported goods is made;</p> <p>(b) the imported goods are identifiable in the export goods; and</p> <p>(c) such other conditions as may be specified in that notification.</p> <p>25B. Notwithstanding anything contained in section 20, where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt such of the goods which are re-imported after being exported for the purposes of repair, further processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely:—</p> <p>(a) the goods shall be re-imported into India after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order permitting clearance for export is made;</p> <p>(b) the exported goods are identifiable in the re-imported goods; and</p> <p>(c) such other conditions as may be specified in that notification.”.</p> <p>Meaning thereby, A new section 25A/25B is being inserted, so as to empower the Central Government to exempt “goods imported/exported for repair, further processing or manufacture [‘Inward Processing of</p>
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EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					Goods’ or “Outward processing of Goods”] and then sent outside or brought inside India within a year”, from payment of whole or any part of duty of customs, leviable thereon subject to certain conditions
61	Pre-notice consultation, power for extending time for determination of duty and others	Section 28, sub-section (1),(7),(9),(10)	Insertions of New Provisos	-	<p>Section 28 is being amended so as to:</p> <p>insert a proviso in clause (a) of sub-section (1) to provide pre-notice consultation in cases not involving collusion, willful mis-statement, suppression before issue of demand notice. The manner of pre-notice consultation shall be provided in the regulations;</p> <p>^[L]_[SEP](b) insert a new sub-section (7A) to provide for issuance of supplementary show cause notice in circumstances and in such manner as may be prescribed through regulations within the existing time period; ^[L]_[SEP]</p> <p>(c) amend the existing sub-section (9) to: ^[L]_[SEP] provide a definite time frame of six months and one year for adjudication of demand notices depending upon whether charges of collusion, willful mis- statement, suppression have been invoked. These time periods shall be extendable by the officer senior to adjudicating authority for a further period of six months and one year respectively. ^[L]_[SEP]</p> <p>provide that if the demand notice is not adjudicated even within the extended period, it would be deemed as if no demand had been issued. ^[L]_[SEP]</p> <p>(d) insert a new sub-section (9A) to provide certain grounds on account of which the time limit of six months or one year shall remain suspended and that the proper officer shall inform the person concerned the reasons for non-determination of duty or interest under sub-section (8) and in such cases the time specified in sub-section (9) shall apply not from the date of notice, but from the date when such reasons cease to exist. ^[L]_[SEP]</p> <p>(e) insert a new sub-section (10A) to provide that where</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					an order for refund is modified in appeal and the amount of refund so determined is less than the amount refunded, the excess amount so refunded shall be recovered along with interest thereon at the applicable rate, from the date of refund up to the date of recovery, as a sum due to the Government.
62	Extending the scope of advance ruling beyond mere determination of duty and other necessary changes in definition of Authority	Section 28E, Clause (a), (b),(c),(e),(f),(g)	Amendment	-	<p>(i) clause (a) shall be omitted;</p> <p>(ii) for clause (b), the following clause shall be substituted, namely:—</p> <p>(b) “advance ruling” means a written decision on any of the questions referred to in section 28H raised by the applicant in his application in respect of any goods prior to its importation or exportation.</p> <p>(iii) after clause (b), the following clause shall be inserted, namely:—</p> <p>(ba) “Appellate Authority” means the Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961;’;</p> <p>(iv) for clause (c), the following clause shall be substituted, namely:—</p> <p>(c) “applicant” means any person,—</p> <p>(i) holding a valid Importer-exporter Code Number granted under section 7 of the Foreign Trade (Development and Regulation) Act, 1992; or</p> <p>(ii) exporting any goods to India; or</p> <p>(iii) with a justifiable cause to the satisfaction of the Authority, who makes an application for advance ruling under section 28H;</p> <p>(v) for clause (e), the following clause shall be substituted, namely:—</p> <p>(e) “Authority” means the Customs Authority for Advance Rulings appointed under section 28EA;</p> <p>(vi) in clause (f), for the word “Authority”, the words “Appellate Authority” shall be substituted;</p> <p>(vii) in clause (g), for the word “Authority”, the words</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					“Appellate Authority” shall be substituted.
63	Insertion of new section “Custom Authority for Advance Rulings”	Section 28EA	Insertion of new section	-	<p>(1) The Board may, for the purposes of giving advance rulings under this Act, by notification, appoint an officer of the rank of Principal Commissioner of Customs or Commissioner of Customs to function as a Customs Authority for Advance Rulings: Provided that till the date of appointment of the Customs Authority for Advance Rulings, the existing Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961 shall continue to be the Authority for giving advance rulings for the purposes of this Act.</p> <p>(2) The offices of the Authority may be established in New Delhi and at such other places, as the Board may deem fit.</p> <p>(3) Subject to the provisions of this Act, the Authority shall exercise the powers and authority conferred on it by or under this Act.</p> <p>Meaning thereby, A new section 28EA relating to ‘Customs Authority for Advance Rulings’ is being inserted, which empowers the Board to appoint officer of the rank of Principal Commissioner of Customs or Commissioner of Customs as Customs Authority for Advance Rulings by way of notification. Till such appointment by the Board, existing Authority shall continue to give Advance Rulings.</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

64	Substitution of authority with Appellate Authority	Section 28F, sub-section (1),(2)	Amendment	-	<p>(i) in sub-section (1),—</p> <p>(a) the words “the Authority for giving advance rulings for the purposes of this Act and the said Authority”, the words “the Appellate Authority for deciding appeal under this Chapter and the said Appellate Authority” shall be substituted;</p> <p>(b) in the proviso, for the word “Authority”, the words “Appellate Authority” shall be substituted;</p> <p>(ii) after sub-section (2), the following sub-section shall be inserted, namely:—</p> <p>(3) On and from the date of appointment of the Customs Authority for Advance Rulings, every application and proceeding pending before the erstwhile Authority for Advance Rulings shall stand transferred to the Authority from the stage at which such application or proceeding stood as on the date of such appointment.</p> <p>Meaning thereby, section is amended to substitute the words "Appellate Authority" for the word "Authority". The transitional provisions relating to transfer of the applications and proceedings pending before the existing Authority are also being proposed.</p>
65	Amendment of Section 28H	Section 28H, sub-section (2),(4)	Amendment	-	<p>(i) in sub-section (2),—</p> <p>(a) for clause (d), the following clause shall be substituted, namely:—</p> <p>(d) applicability of notifications issued in respect of tax or duties under this Act or the Customs Tariff Act, 1975 or any tax or duty chargeable under any other law for the time being in force in the same manner as duty of customs leviable under this Act or the Customs Tariff Act;”;</p> <p>(b) after clause (e), the following clause shall be inserted, namely:—</p> <p>(f) any other matter as the Central Government may, by notification, specify.”;</p> <p>(ii) after sub-section (4), the following sub-section shall be inserted, namely:—</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					(5) The applicant may be represented by any person resident in India who is authorised in this behalf. Meaning thereby, the section is amended to empower the central government to add by notification any other subject for advance ruling. It also seeks to provide that an applicant may be represented by an authorized person who is a resident of India.
66	Reduction in time for passing order by Advance Authority from 6 months to 3 months	Section 28-I	Amendment	-	Sub-section (6) of Section 28-I is being amended to reduce the time from six months to three months within which the authority shall pronounce its advance ruling.
67	Amendment of Section 28K	Section 28K	Amendment	-	in sub-section (1),— (i) the brackets and words “(after excluding the period beginning with the date of such advance ruling and ending with the date of order under this sub-section)” shall be omitted; (ii) the following proviso shall be inserted, namely:— “Provided that in computing the period of two years referred to in clause (a) of sub-section (1) of section 28, or five years referred to in sub-section (4) thereof, for service of notice for recovery of any duty not levied, short-levied, not paid or short-paid on account of the advance ruling, the period beginning with the date of such advance ruling and ending with the date of the order under this sub-section shall be excluded.” Meaning thereby ,the period beginning with the date of such advance ruling and ending with the date of order shall be excluded from the time period of 2 years and 5 years respectively.

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

68	Insertion of new section “Appeal before Appellate Authority”	Section 28KA	Insertion of New Section	W.e.f such date as the Central Government may notify	<p>(1) Any officer authorised by the Board, by notification, or the applicant may file an appeal to the Appellate Authority against any ruling or order passed by the Authority, within sixty days from the date of the communication of such ruling or order, in such form and manner as may be prescribed:</p> <p>Provided that where the Appellate Authority is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the period so specified, it may allow a further period of thirty days for filing such appeal.</p> <p>Meaning thereby, Section 28KA is inserted to provide for appeal to the Appellate Authority by the applicant or any officer authorized by the Board, by notification, against the ruling or order passed by the Customs Authority for Advance Rulings.</p>
69	Amendment of Section 28L	Section 28L	Amendment	-	Section 28L is amended so as to substitute word “Authority” with the words “Authority or Appellate Authority”.
70	Substitution of new section “Procedure for Authority and Appellate Authority”	Substitution of new section for section 28M	Amendment	-	<p>for section 28M, the following section shall be substituted, namely:—</p> <p>(1) The Authority shall follow such procedure as may be prescribed.</p> <p>(2) The Appellate Authority shall, subject to the provisions of this Chapter, have power to regulate its own procedure in all matters arising out of the exercise of its powers and authority under this Act.”</p> <p>Meaning thereby, that the procedure for Customs Authority for Advance Rulings may be provided by regulations by the Board. It also seeks to provide that the Appellate Authority shall regulate its own procedure for the purpose of conducting its proceedings.</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

71	Delivery of import manifest or import report	Section 30	Inserted/ substituted in section 30(1)	02-02-2018	<p>In section 30, which deals with Import manifest or Import report to be submitted by the person in charge of conveyance to the proper officer in case of Imported Goods. Now it has been proposed to be extended to the Exported Goods also. The documents for the same can be prescribed through notification.</p> <p>include export goods in addition to imported goods as part of the information provided in the manifest;</p> <p>provide for prescribing the manner of delivery of manifest through regulations.</p>
72	Delivery of export manifest or export report	Section 41	Inserted/ substituted in section 41	02-02-2018	<p>Section 41 deals with Export manifest report to be submitted to Proper officer in case of Exported Goods before departure of conveyance. Now it is extended to Imported goods also. Alongside a penalty provision is also incorporated for intentional default in submission of EMR to the extent of Rs. 50,000/-.</p> <p>The following amendmends are incorporated In section 41,</p> <p>include imported goods in addition to export goods as part of the information provided in the manifest;</p> <p>provide penalty provisions for late filing of manifest (not exceeding fifty thousand rupees);</p> <p>Provide for prescribing the manner of delivery of manifest through regulations.</p>
73	Restrictions on custody and removal of imported goods.	Section 45	Inserted in section 45	02-02-2018	<p>The goods once unloaded on the custom port will not be removed from the custom area without the permission of the proper officer in writing. It has given unnecessary powers in hands of officer, which sometimes are being misused by them.</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					<p><i>Now Boards has obtained power through amendment to make rules for the same which will help businessmen to a larger extent and speedy removal of goods from custom area.</i></p> <p>The following changes are made in law:- In section 45, in sub-section (2), in clause (b), after the words “proper officer”, the words “or in such manner as may be prescribed” shall be inserted.</p>
74	Entry of goods on importation	Section 46	Inserted/ substituted in section 46(1)	02-02-2018	<p>It deals with filing of Bill of Entry for clearance of imported goods. The provisions are streamlined in following respect:-</p> <ol style="list-style-type: none"> (1) The name of the custom portal is changed for its integration with GST and it is named as “Customs Automated System”; (2) Powers have been taken by Board to make rules and regulations for filling of Bill of Entry; (3) Time limits for filling of BOE before arrival of the vehicle at custom station is clarified and it can be filed within a period of thirty days prior to arrival of vehicle. (4) Duty is cast on importer regarding accuracy, authenticity, validity of the declarations made by him and compliance to the prohibitions or restrictions under this act or any other law for the time being in force.
75	Clearance of goods for home consumption	Section 47	Inserted in Section 47	02-02-2018	<p>For clearance of goods for home consumption a facility is provided to proper officer to pass order electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria”</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

76	Entry of goods for exportation	Section 50	Amended/inserted in section 50	02-02-2018	<p>It deals with filing of Shipping Bill or Bill of Export for Export of goods. The provisions are streamlined in following respect:-</p> <ol style="list-style-type: none"> (1) The name of the custom portal is changed for its integration with GST and it is named as “Customs Automated System”; (2) Powers have been taken by Board to make rules and regulations for filling of Shipping Bill or Bill of Export; (3) Duty is cast on importer regarding accuracy, authenticity, validity of the declarations made by him and compliance to the prohibitions or restrictions under this act or any other law for the time being in force.
77	Clearance of goods for exportation	Section 51	Substituted in proviso to Section 51(1)	02-02-2018	For clearance of goods for export a facility is provided to proper officer to pass order electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria”
78	Payment Through Electronic Cash Ledger	Section 51A	Inserted Section 51A	02-02-2018	Currently payment of custom duty is made challan wise or Bill of Entry wise. Now the system is shifted to Electronic Cash ledger in lines of GST. Therefore a new section 51 A is inserted in Custom Act for the same.
79	Transshipment of certain goods without payment of duty	Section 54	Substituted in Section 54	02-02-2018	In Section 54(1) is amended to empower board to make rules for presenting a bill of transshipment and declaration for transshipment.
80	Permission for deposit of goods in a warehouse	Section 60	Inserted in Section 60	02-02-2018	Order of deposit of goods in warehouse can be made electronically on custom Automated system.

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

81	Provisos to section 68 have been changed	68	AMENDMENT		NOW the order UNDER SECTION 68 (C) for clearance of goods for home consumption may also be made electronically through the CAS (customs automated system) on the basis of risk evaluation through appropriate selection criteria: Provided further that” And in the second proviso, for the words “Provided further that”, the words “Provided also that” shall be substituted.
82	Order for Clearance of goods for exportation may also be made electronically.	Proviso to Section 69(1)	NEWLY INSERTED		Order for clearance by P.O. of Wharoused goods for exportation may also be made electronically through the CAS (customs automated system) on the basis of risk evaluation through appropriate selection criteria.
83 & 84	Provisos of export by post shall be governed by section 84 (a), instead of section 82	74 (1) (iii) & 75 (1)	AMENDMENT		Duty Drawback on export of duty paid goods (either ‘as it is’ or ‘after being used in manufacturing of goods’) being entered for export by post, goods should be entered for export as per section 84(a) instead of section 82 (since section 82 has already been repealed by the Finance Act, 2017).
85, 86 & 87	The words ‘Post’ & ‘Postal Authorities’ have been replaced by the words ‘post or courier’ & ‘postal authorities or the authorized courier’ respectively.	Chapter heading XI of the Act, Section 83 & Section 84	AMENDMENT		The words ‘Post’ & ‘Postal Authorities’ have been replaced by the words ‘post or courier’ & ‘postal authorities or the authorized courier’ respectively.

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

88	Audit provisions inserted in the Act	Chapter XII A (Section 99A of the Act)	NEWLY INSERTED		<p>P.O. may carry out the audit of:</p> <p>i) Assessment of imported goods or export goods, or</p> <p>ii) Any Auditee* under this Act either in his office or in his premises</p> <p>* Auditee means a person who is subject to an audit under this section and includes an importer or exporter or custodian approved under section 45 or licensee of a warehouse and any other person concerned directly or indirectly in clearing, forwarding, stocking, carrying, selling or purchasing of imported goods or export goods or dutiable goods’.</p>
89	Provisions for controlled delivery of goods inserted in the Act	Section 109A	NEWLY INSERTED		<p>The proper officer or any other officer authorised by him in this behalf, may undertake controlled delivery (procedure of allowing consignment of goods to pass out of, or into India with the knowledge and under the supervision of proper officer for identifying the persons involved in any offence or contravention under this Act) of goods to—</p> <p>(a) any destination in India; or</p> <p>(b) a foreign country, in consultation with the competent authority of such country to which such consignment is destined.</p>
90	For extending the period under the proviso of section 110(2), reason to be recorded in writing.	Section 110	AMENDMENT		<p>For extending the period of sending notice u/s 124(a) now reasons also need to be recorded in writing, and inform the person from whom such goods were seized before the expiry of the period so specified.</p> <p>the specified period of six months shall not apply, where the order u/s 110A for the provisional release of goods has already been passed.</p>
91	For adjudication of confiscation and penalties	Section 122	AMENDMENT		<p>confiscation or penalty under this act may be adjudged,</p> <p>-</p> <p>without limit, by a Principal Commissioner of Customs or Commissioner of Customs or a Joint Commissioner of Custom</p> <p>up to such limit, by such officers, as the Board may, by</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					notification, specify instead of A.C. / D.C./ Gazetted Officer earlier.
92	Issue of show cause notice before confiscation of goods etc .	Section 124	NEWLY INSERTED		in section 124, after the proviso, the following proviso shall be inserted, namely:— “Provided further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.”
93	Option to pay fine in lieu of confiscation	Section 125	AMENDMENT		where the proceedings are already deemed to be concluded under the proviso to section 28 (2) or under section 28(6) (i) in respect of the goods which are not prohibited or restricted, the option to pay fine in lieu of confiscation shall not available. Where the fine imposed section 125 (1) is not paid within a period of 120 days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending. *Explanation.—For removal of doubts, it is hereby declared that in cases where an order under section 125 (1) has been passed before the date on which the Finance Bill, 2018 receives the assent of the President and no appeal is pending against such order as on that date, the option under said sub-section may be exercised within a period of one hundred and twenty days from the date on which such assent is received.”.

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

94	Remanding back of matter by Commissioner (Appeal)	Section 128 A	AMENDMENT		<p>Section 128A is being amended to allow Commissioner (Appeals) to remand back the matters to original adjudicating authority in specified categories of cases, namely:</p> <p>(i) where an order or decision has been passed without following the principles of natural justice; or ^[L]SEP(ii) where no order or decision has been passed after re-assessment under section 17; or</p> <p>(iii) where an order of refund under section 27 has been issued crediting the amount to the ^[L]SEPFund without recording any finding on the evidence produced by the applicant.;</p>
95	Empowering the board to prescribe regulations to documentations on certain categories	Section 143 AA	NEWLY INSERTED		<p>A new section 143AA is being inserted to empower the Board to prescribe through regulations trade facilitation measures or separate procedure or documentation for a class of importers or exporters or for categories of goods or on the basis of the modes of transport of goods for:</p> <p>(a) maintain transparency in the import and export documentation; or</p> <p>(b) expedite clearance or release of goods entered for import or export; or</p> <p>(c) reduce the transaction cost of clearance of importing or exporting goods; or</p> <p>(d) maintain balance between customs control and facilitation of legitimate trade.</p>
96	Reciprocal arrangement for exchange of information	Section 151 A	NEWLY INSERTED		<p>(1) The Central Government may enter into an agreement or any other arrangement with the Government of any country outside India or with such competent authorities of that country, as it deems fit, for facilitation of trade, enforcing the provisions of this Act and exchange of information for trade facilitation, effective risk analysis, verification of compliance and prevention, combating and investigation of offences under the provisions of this Act or under the corresponding laws in force in that country.</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					<p>(2) The Central Government may, by notification, direct that the provisions of this section shall apply to the contracting State with which reciprocal agreement or arrangements have been made, subject to such conditions, exceptions or qualifications as may be specified in that notification.</p> <p>(3) Subject to the provisions of sub-section (2), the information received under sub-section (1) may also be used as evidence in investigations and proceedings under this Act.</p> <p>(4) Where the Central Government has entered into a multilateral agreement for exchange of information or documents for the purpose of verification of compliance in identified cases, the Board shall specify the procedure for such exchange, the conditions subject to which such exchange shall be made and designation of the person through whom such information shall be exchanged.</p> <p>(5) Notwithstanding anything contained in sub-section (1) or sub-section (2) or sub-section (3), anything done or any action taken or purported to have been done or taken, in pursuance to any agreement entered into or any other arrangement made by the Central Government prior to the date on which the Finance Bill, 2018 receives the assent of the President, shall be deemed to have been done or taken under the provisions of this section.</p> <p>Explanation.—For the purposes of this section, the expressions,—</p> <p>(i) “contracting State” means any country outside India in respect of which agreement or arrangements have been made by the Central Government with the Government or authority of such country through an agreement or otherwise;</p> <p>(ii) “corresponding law” means any law in force in the contracting State corresponding to any</p>
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EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					of the provisions of this Act or dealing with offences in that country corresponding to any of the offences under this Act.’.
97	Section 153 substituted completely	Section 153	NEWLY INSERTED		<p>This section deals with the modes of delivery of any order, summon or decision. Previously it was restricted to registered post, courier or affixture etc. Now a section has undergone a major change and mode of delivery of orders, summons etc is aligned with the modes of delivery in GST, which includes email, newspaper publication, by hand delivery, affixture at assessee premise. Alongside deeming fictions are also incorporated regarding delivery of the orders etc.</p> <p>The detailed section is herebelow:- “153. (1) An order, decision, summons, notice or any other communication under this Act or the rules made thereunder may be served in any of the following modes, namely:— (a) by giving or tendering it directly to the addressee or importer or exporter or his customs broker or his authorised representative including employee, advocate or any other person or to any adult member of his family residing with him; (b) by a registered post or speed post or courier with acknowledgement due, delivered to the person for whom it is issued or to his authorised representative, if any, at his last known place of business or residence; (c) by sending it to the e-mail address as provided by the person to whom it is issued, or to the e-mail address available in any official correspondence of such person; (d) by publishing it in a newspaper widely circulated in the locality in which the person to whom it is issued is last known to have resided or carried on business; or</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					<p>(e) by affixing it in some conspicuous place at the last known place of business or residence of the person to whom it is issued and if such mode is not practicable for any reason, then, by affixing a copy thereof on the notice board of the office or uploading on the official website, if any.</p> <p>(2) Every order, decision, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed or uploaded in the manner provided in sub-section (1).</p> <p>(3) When such order, decision, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.”</p>
98	Additions in section 157	in Section 157			<p>Now board can also make regulation in regard of the <i>manner to deliver or present the form</i> of a bill of entry, shipping bill, bill of export, import manifest, import report, export manifest, export report, [bill of transhipment, declaration for transhipment] boat note and bill of coastal goods.</p> <p>Following clauses are also inserted after substituting the clause of audit (The manner of conducting audit of the assessment of duty of the imported or export goods at the office of the proper officer or the premises of the importer or exporter , as the case may be)</p> <p>(d) the time and manner of finalisation of provisional assessment;</p> <p>(e) the manner of conducting pre-notice consultation;</p> <p>(f) the circumstances under which, and the manner in which, supplementary notice may be issued;</p> <p>(g) the form and manner in which an application for advance ruling or appeal shall be made, and the procedure for the Authority, under Chapter VB;</p>

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

					<p>(h) the manner of clearance or removal of imported or export goods;</p> <p>(i) the documents to be furnished in relation to imported goods;</p> <p>(j) the conditions, restrictions and the manner of making deposits in electronic cash ledger, the utilisation and refund therefrom and the manner of maintaining such ledger;</p> <p>(k) the manner of conducting audit;</p> <p>(l) the goods for controlled delivery and the manner thereof;</p> <p>(m) the measures and separate procedure or documentation for a class of importers or exporters or categories of goods or on the basis of the modes of transport of goods.”.</p>
99	Retrospective applicability of notification no.65/2017-CUSTOMSW.E.F . 1 ST July, 2017	Customs Tariff Act, 1975	Amended		Notification no.65/2017-CUSTOMS shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017 and Refund shall be made of all such integrated tax which has been collected, but which would not have been so collected, had the amendment made vide the notification referred above been in force at all material times, Provided that an application for claim of integrated tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives assent of the President.
100	Addition in provisions of valuation in case of importation of goods, for the purpose of calculation of IGST and GST cess.	Section 3 (7) and section 3(8) of Customs Tariff Act, 1975	NEWLY INSERTED		

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

101	Amendment	First Schedule of Custom Tariff Act	Amendment	02-02-2018	In the Customs Tariff Act, the First Schedule, shall be amended in the manner specified in the Second Schedule; shall also be amended in the manner specified in the Third Schedule
102	Insert/ Amendment	Second Schedule of Custom Tariff Act	Inserted/amendment	02-02-2018	In the Customs Tariff Act, in the Second Schedule, after Note 3, the following Note shall be inserted, namely: “4. In respect of all other goods which are not covered under column (2) of this Schedule, the rate of duty shall be ‘Nil.’; the Second Schedule shall be amended in the manner specified in the Fourth Schedule.
103 Service Tax	Special provision for exemption from service tax in certain cases relating to life insurance services provided by Naval Group Insurance Fund to personnel of Coast Guard.	Section 66B of Central Goods and Service Tax Act,1994	Exemption	Retrospectively from the 10th day of September, 2004 up to the 30th day of June, 2017.	Clause 103 of the Bill seeks to provide exemption from service tax to life insurance services provided by the Naval Group Insurance Fund to personnel of Coast Guard, retrospectively, during the period from the 10th day of September, 2004 up to the 30th day of June, 2017.
104	Special provision for exemption from service tax in certain cases relating to services provided or agreed to be provided by Goods and Service Tax Network,	Section 66B of Central Goods and Service Tax Act,1994	Exemption	Retrospectively from the 28th day of March, 2013 up to the 30th day of June, 2017.	Clause 104 of the Bill seeks to provide exemption from service tax to services provided by the Goods and Services Tax Network to the Central Government or the State Governments or Union territory administrations, retrospectively, during the period from the 28th March, 2013 to the 30th June, 2017.

EXECUTIVE SUMMARY OF FINANCE BILL, 2018 - INDIRECT TAXES

	retrospectively.				
105	Special provision for retrospective exemption from service tax on Government's share of profit petroleum	Section 66B of Central Goods and Service Tax Act,1994	Exemption	Retrospectively from the 1 st day of April, 2016 up to the 30th day of June, 2017.	Clause 105 of the Bill seeks to provide retrospective exemption from service tax on provision of services by way of grant of licence or lease to explore or mine petroleum crude or natural gas or both, from so much of the service tax as is leviable on the consideration paid to the Government in the form of Government's share of profit petroleum, as defined in the contract entered into by the Government in this behalf, during the period from the 1st day of April, 2016 to the 30th day of June, 2017.