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Calculation of Customs CESS - The mess.



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The various amendments relating to CESS has created lot of confusion on Customs duty calculations and the calculations of duties payable by 100 % EOUs for DTA clearances. The following tabulation may help to understand the calculations better.

Calculations of Customs duties on import:

S.No.	Details	Prior to 01.03.15	Remarks	From 01.03.15	Remarks
1	Let the value of import goods be	Rs.100		Rs.100	
2	Basic Customs Duty	Rs.7.50	BCD Rate is assumed at 7.5 %	Rs.7.50	BCD rate is assumed at 7.5 %
3	Value for CVD Purposes	Rs.107.50		Rs.107.50	
4	CVD @	Rs.12.90	@ 12 %	Rs.13.44	CVD rate enhanced to 12.5 % from 01.03.2015
4.1	Edu. Cess on CVD 2 % on CVD	NIL	Exempted vide Notification No. 13/2012 Cus. Dt. 17.03.2012	NIL	Though Notification No. 13/2012 Cus. Dt. 17.03.2012 has been withdrawn vide Notification 9/2015 Cus. Dt. 01.03.2015, no Edu. CESS on CVD is leviable, as Edu. Cess on Excise duty has been exempted vide Notification No.14/2015 CE Dt. 01.03.2015
4.2	Sec. Edu. Cess on CVD 1 % on CVD	Nil	Exempted vide Notification No. 14/2012 Cus. Dt. 17.03.2012	NIL	Though Notification No. 14/2012 Cus. Dt. 17.03.2012 withdrawn vide Notification 9/2015 Cus. Dt. 01.03.2015. no Sec.Edu. Cess on CVD is leviable, as Sec. Edu. Cess on Excise duty has been exempted vide Notification 15/2015 CE Dt. 01.03.2015
5	Total of BCD, CVD and CESS on CVD (S.No.2+4+4.1+4.2)	Rs.20.40		Rs.20.94	

6	Customs Edu Cess of 2% on the above total (Sl.No.5)	Rs.0.41		Rs.0.42	
7	Customs Sec Edu Cess of 1% on the above total (Sl.No.5)	Rs.0.20		Rs.0.21	
8	Value for SAD (S.No.1 + 5 +6)	Rs.121.01		Rs.121.57	
9	SAD @ 4 % on S.No. 7	Rs.4.84		Rs.4.86	
10	Total Customs duties payable (S.No.5 + 6 +7 + 9)	Rs.25.85		Rs.26.43	

Calculation of duty payable by 100 % EOUs, for DTA clearances (as per S.No.2 of Notification 23/2003 CE Dt. 31.03.2003).

It may be noted that the duty of excise, payable by a 100 % EOU on its DTA clearances shall be equal to the aggregate of the customs duties leviable on like goods, when imported into India. In other words, the duties of customs as calculated in the above table, is payable as duty of excise. As per S.No.2 of Notification 23/2003 CE, the BCD rate shall be taken as 50 % of the normal rate.

S.No.	Details	Prior to 01.03.15	Remarks	From 01.03.15	Remarks
1	Let the value of import goods be	Rs.100		Rs.100	
2	Basic Customs Duty	Rs.3.75	BCD rate is 3.75 % as per S.No. 2 of 23/2003 CE	Rs.3.75	BCD rate is 3.75 % as per S.No. 2 of 23/2003 CE
3	Value for CVD Purposes	Rs.103.75		Rs.103.75	
4	CVD	Rs.12.45	@ 12 %	Rs.12.97	CVD rate enhanced to 12.5 % from 01.03.2015
4.1	Edu. Cess on CVD 2 % on CVD	NIL	Exempted vide Notification No. 13/2012 Cus. Dt. 17.03.2012	NIL	Though Notification No. 13/2012 Cus. Dt. 17.03.2012 has been withdrawn vide Notification 9/2015 Cus. Dt. 01.03.2015, no Edu. CEss on CVD is leviable, as Edu. Cess on Excise duty has been exempted

					vide Notification No.14/2015 CE Dt. 01.03.2015
4.2	Sec. Edu. Cess on CVD 1 % on CVD	Nil	Exempted vide Notification No. 14/2012 Cus. Dt. 17.03.2012	NIL	Though Notification No. 14/2012 Cus. Dt. 17.03.2012 withdrawn vide Notification 9/2015 Cus. Dt. 01.03.2015. no Sec.Edu. Cess on CVD is leviable, as Sec. Edu. Cess on Excise duty has been exempted vide Notification 15/2015 CE Dt. 01.03.2015
5	Total of BCD, CVD and CESS on CVD (S.No.2+4+4.1+4.2)	Rs.16.20		Rs.16.72	
6	Customs Edu Cess of 2% on the above total (Sl.No.5)	Rs.0	Exempted vide Sl.No.1A of Notification 23/2003 CE	Rs.0.33	Sl.No.1A of Notification 23/2003 CE has been omitted vide notification 16/2015 CE dated 1/3/2015
7	Customs Sec Edu Cess of 1% on the above total (Sl.No.5)	Rs.0	Exempted vide Sl.No.1B of Notification 23/2003 CE	Rs.0.17	Sl.No.1B of Notification 23/2003 CE has been omitted vide notification 16/2015 CE dated 1/3/2015
8	SAD	Rs.0		Rs.0	Exempted vide S.No.1 of Notification 23/2003 CE Dt. 31.03.2003
9	Total excise duty payable by 100 % EOU for DTA clearances, which is equal to the aggregate of customs duties on like goods.	Rs.16.20		Rs.17.22	
10	Excise Edu cess of 2% on excise duty (Sl.No.9)	Rs.0.32		Rs.0	Exempted vide Notification 14/2015 CE dated 1.3.2015
11	Excise Sec Edu Cess of 1% on excise duty (Sl.No.9)	Rs.0.16		Rs.0	Exempted Vide Notification 15/2015 CE dated 1.3.2015
12	Total Excise duties payable in respect of DTA Clearances	Rs.16.68		Rs.17.22	



(Sl.No.9+10+11)				
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