

**Goods seized in respect of which there is no prosecution, or the proceeds of sale thereof, are forfeited if not claimed within one month**

**118.** (1) If there be no prosecution with regard to any goods seized under this Act, the goods or the proceeds of sale of the goods which are held pursuant to paragraph 86(1)(c) shall be taken and deemed to be forfeited at the expiration of one calendar month from the date of seizure of the goods unless, before the expiration—

- (a) a claim to the goods or the proceeds of sale of the goods is made under subsection (2);
- (b) a written application is made for the return of the goods under paragraph 86(1)(a) or (b); or
- (c) the goods are returned under paragraph (a) or (b).

(2) Any person asserting that he is the owner of the goods or the proceeds of sale of the goods, as the case may be, and that they are not liable to forfeiture may, personally or by his agent authorized in writing, give written notice to any senior officer of goods and services tax that he claims the same.

(3) On the expiration of the period mentioned in subsection (1), or, if a decision is made earlier that there be no prosecution with regard to the goods, on the making of the decision the senior officer of goods and services tax shall, if the goods or the proceeds of sale of the goods are not taken and deemed to be forfeited under the subsection, refer the claim to the Director General who may direct that the goods or the proceeds of sale of the goods or the security furnished under paragraph 86(1)(a) or (b), as the case may be, be released or may direct the senior officer, in the form and manner as the Director General may determine to refer the matter to a Sessions Court.

(4) The Sessions Court shall issue a summons requiring the person asserting that he is the owner of the goods or the proceeds of sale of the goods, and the person from whom the goods were seized, to appear before him, and upon their appearance or default to appear, due service of the summons being proved, the Sessions Court shall proceed to the examination of the matter, and upon proof that an offence against this Act has been committed and that the goods were the subject matter, or were used in the commission of the offence, shall order the goods or the proceeds of sale of the goods or the amount secured under paragraph 86(1)(a) or (b), as the case may be, to be forfeited, or in the absence of such proof, may order the release of the goods or the proceeds of sale of the goods or the security furnished under paragraph 86(1)(a) or (b), as the case may be.

(5) In any proceedings under subsection (4), section 102 shall apply to the person asserting that he is the owner of the goods or the proceeds of sale of the goods and to the person from whom they were seized as if the owner or person had been the accused in a prosecution under this Act.