

GIB/KN/WE WORK/06.03.2020/AAAR-26

Appellate Advance Ruling Category : Input Tax Credit

State : Karnataka

Order No.: GIB/KN/WE WORK/06.03.2020/AAAR-26

Name of Entry :

Wework India Management Private Limited

Date : 06-03-2020

Breif Issue :

Facts & Issue Of The Case :

The present appeal has been filed under Section 100 of the Central Goods and Service Tax Act, 2017 by Wework India management Private Limited against advance ruling No. KAR/ADRG 102/2019 Dated 30Th September 2019. Applicant is involved in the business of supplying shared workspace/office space to freelancers, startups, small business and large enterprises. Applicant had sought the advance ruling on the following issues:-

- a. Whether input GST credit can be availed by the applicant on the detachable 14mm Engineer wood with oak top wooden flooring which is movable in nature and capitalized as “furniture and fixture” and is not capitalized as “immovable property”?
- b. Whether input GST credit can be availed by the applicant on the detachable sliding and stacking glass portion which is movable in nature and capitalized as “furniture and fixture” and is not capitalizes as an immovable property.

The decision given by this authority for the first issue is the input tax credit of GST can be availed by the applicant on the detachable 14mm Engineered wood with oak to wooden flooring which is movable in nature and capitalized as “furniture”.

For the second question the answer is the input tax credit of GST is not available on detachable sliding and stacking glass partitions. The lower authority denied input tax credit in terms of section 17(5)(d) of the CGST Act for the same. Being aggrieved by the portion of the impugned order related to the denial of input tax credit on detachable sliding and stacking glass portions the appellant has filed this appeal. The appellant later submitted that detachable sliding and stacking glass partitions are fixed with the help of nuts and bolts and they are neither rooted to the earth therefore these are not a part of immovable property.

Decision of Advance Ruling Authority :

Decision :

The appellant had set aside the portion of Advance Ruling Order No. KAR ADRG 106/2019 dated 30th September 2019 which deals with the eligibility of input tax credit on detachable sliding and stackable glass partitions. The appeal has been answered as follows:

“input tax credit can be availed by the appellant on the detachable sliding and stackable glass portions which is movable in nature”.

- Grounds on which the appellant has passed the decision are as follows:
 - a. There is no permanency in affixing such partitions and the same can be refixed to signify change in dimensions of the work place.
 - b. The detachable sliding and stackable glass partitions are movable property and addition/fixing of glass partitions are movable and addition/fixing of glass partitions does not amount to construction of immovable property.
 - c. This matter will not be hit by the provisions of Section 17(5)(d) of the CGST Act.

For detailed AAR Ruling click- [GIB/KN/WE WORK/30.09.2019/AAR-280](https://www.gstindia.biz/GIB/KN/WE%20WORK/30.09.2019/AAR-280)