

GIB/KN/DURGA/24.12.19/AAAR-1

Appellate Advance Ruling Category : Taxability

State : Karnataka

Order No.: GIB/KN/DURGA/24.12.19/AAAR-1

Name of Entry :

M/S Durga Projects and Infrastructure Private Limited

Date : 24-12-2019

Product/ Service Involve :

Construction Business

Breif Issue :

Whether Applicant is liable for GST towards work executed under JDA on land owner's portion where work commenced during pre-GST and continued under GST Law. If tax is applicable the valuation for payment of tax?

The applicant submits , their interpretation /understanding of law and consequently their view point ,on the issue raised by them , that the joint development agreement JDA is an agreement between a land owner and developer , where land owner contributes land and developers develops th e property with the condition to share the developed properties whereby land owner transfers undivided interest in landr to the Developer's share to flats and developer Agrees to construct building on the land belonging to the land owner.

Decision of Advance Ruling Authority :

The Applicant is liable to pay GST towards work executed under Joint Development Agreement on Land owner's portion, on the value to be arrived at in terms of pars 2 of the Notification No.11/ 2017-Central Tax (Rate) dated 28.06.2017 at the time of transfer of possession of the land owners' portion of the flats.