

NOTIFICATION NO. 6/2019-INTEGRATED TAX (RATE) [F. NO. 354/32/2019-TRU], DATED 29-3-2019 [UPDATED]

[As Amended By Notification No. 3/2021-Integrated Tax (Rate) [F.No.354/53/2021-Tru], dated 2-6-2021]

In exercise of the powers conferred by section 20 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017) read with section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby notifies the following classes of registered persons, namely: —

- (i) a promoter who receives development rights or Floor Space Index (FSI) (including additional FSI) on or after 1st April 2019 for construction of a project against consideration payable or paid by him, wholly or partly, in the form of construction service of commercial or residential apartments in the project or in any other form including in cash;
- (ii) a promoter, who receives long term lease of land on or after 1st April 2019 for construction of residential apartments in a project against consideration payable or paid by him, in the form of upfront amount (called as premium, salami, cost, price, development charges or by any other name),

as the registered persons ¹[, *who shall*] pay integrated tax on, —

- (a) the consideration paid by him in the form of construction service of commercial or residential apartments in the project, for supply of development rights or FSI (including additional FSI);
- (b) the monetary consideration paid by him, for supply of development rights or FSI (including additional FSI) relating to construction of residential apartments in project;
- (c) the upfront amount (called as premium, salami, cost, price, development charges or by any other name) paid by him for long term lease of land relating to construction of residential apartments in the project; and
- (d) the supply of construction service by him against consideration in the form of development rights or FSI (including additional FSI), —

²*[in a tax period not later than the tax period in which the date of issuance of the completion certificate for the project, where required, by the competent authority, or the date of its first occupation, whichever is earlier, falls].*

2. Explanation: - For the purpose of this notification, —

- (i) The term "apartment" shall have the same meaning as assigned to it in clause (e) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016);

¹ Substituted for "in whose case the liability to" by Notification No. 3/2021-Integrated Tax (Rate) [F.No. 354/53/2021-Tru], dated 2-6-2021, w.e.f. 2-6-2021.

² Substituted for "shall arise on the date of issuance of completion certificate for the project, where required, by the competent authority or on its first occupation, whichever is earlier" by Notification No. 3/2021-Integrated Tax (Rate) [F.No. 354/53/2021-Tru], dated 2-6-2021, w.e.f. 2-6-2021.

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- (ii) the term "promoter" shall have the same meaning as assigned to it in in clause (zk) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016);
 - (iii) the term "project" shall mean a Real Estate Project (REP) or a Residential Real Estate Project (RREP);
 - (iv) the term "Real Estate Project (REP)" shall have the same meaning as assigned to it in in clause (zn) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016);
 - (v) the term "Residential Real Estate Project (RREP)" shall mean a REP in which the carpet area of the commercial apartments is not more than 15 per cent of the total carpet area of all the apartments in the REP.
 - (vi) the term "floor space index (FSI)" shall mean the ratio of a building's total floor area (gross floor area) to the size of the piece of land upon which it is built.
 - (vii) Tax on services covered by sub-paras (i) and (ii) of paragraph 1 above is required to be paid under reverse charge basis in accordance with notification No. 10/2017- Integrated Tax (Rate), dated the 28th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* GSR No. 685 (E), dated the 28th June, 2017, as amended.
- 3.** This notification shall come into force with effect from the 1st day of April 2019.