

GST payable at the time of transfer of possession/ rights in the building to the person supplying development rights

In *Re: M/s. Vajra Infracorp India Private Limited [TSAAR Order No.03/2021 decided on July 19, 2021]* wherein the assessee is provider of taxable services of construction of residential complexes.

The assessee entered into a supplementary agreement with landowner on May 15, 2017 (pre-GST) duly fixing the total number of flats to be shared with the land owner and construction was expected to be completed by October/November 2018 (post-GST).

The assessee sought clarification on time of supply and point of taxation with respect to flats allotted to land owner by the builder by way of supplementary agreement.

The AAR, Telangana held that as per *Notification No.4/2018- Central Tax dated January 25, 2018* the date of transfer of possession of the building or the right in it to the person supplying development rights will be the time of supply and the liability to pay tax on the said services shall arise on that day. The time of supply shall not be at any other time.

Online GST Course by Bimal Jain

Recorded: Certified Advanced GST Course

Course Details: Certificate of Participation will be Provided, Free GST Updates on E-mail, WhatsApp, Telegram for 1 Year, Background Material and PPT will be Provided on the downloadable basis, Total 21 Recorded Sessions (60 Hours), will be available for 120 hours or 60 Days whichever expires earlier.

For Registration:- <https://cutt.ly/hxjl5Cu>

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Course Details: 6 Online Recorded Sessions of 2.30Hrs each with Background Material (BGM)

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