

		<p align="center">OFFICE OF THE COMMISSIONER CGST & CENTRAL EXCISE MANIK BAGH PALACE, POST BAG NO.10, INDORE – 452 001 (M.P.) Phone No.+91731-2762222, 2360590, Fax No.+91731-2470898,2471474, 2446358,2446274,2479874 Email-technicalcex@gmail.com</p>
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TRADE NOTICE NO.05/2019-20

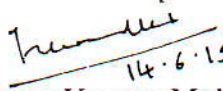
Dated: 14.06.2019

Subject: GST exemption on the upfront amount payable in installments for long term lease of plots, under Notification No. 12/2017- Central tax ® S. No. 41 dated 28.06.2017 -reg.

Copy of Circular No. 101/20/2019-GST dated 30.04.2019 issued under F. No. 354/27/2019-TRU of OSD (TRU), Government of India, Ministry of Finance, Department of Revenue, Tax Research Unit, CBIC, New Delhi is communicated herewith.

2. The contents of the Trade Notice may be brought to the knowledge of all constituent members of Trade Associations/ Chamber of Commerce and Industry/Members of RAC and all others concerned persons under the jurisdiction of CGST Commissionerate Indore.

(Issued from file C. No. I(Gen)30-01/18-19/GST/T/Pt-I)


14.6.19
(Neerav Kumar Mallick)
Commissioner

To,
As per mailing list.

Copy of Circular No. 101/20/2019-GST dated 30.04.2019 issued under F. No. 354/27/2019-TRU of OSD (TRU), Government of India, Ministry of Finance, Department of Revenue, Tax Research Unit, CBIC, New Delhi.

F. No. 354/27/2019-TRU
Government of India
Ministry of Finance
Department of Revenue
Tax Research Unit

North Block, New Delhi,
Dated the 30th April, 2019

To,

The Principal Chief Commissioners/ Chief Commissioners/ Principal Commissioners/
Commissioner of Central Tax (All) /
The Principal Director Generals/ Director Generals (All)

Madam/Sir,

Subject: GST exemption on the upfront amount payable in installments for long term lease of plots, under Notification No. 12/2017 – Central Tax (R) S. No.41 dated 28.06.2017 -reg.

Representations have been received by the Board seeking clarification regarding admissibility of GST exemption on the upfront amount which is determined upfront but is paid or payable in installments for long term (thirty years, or more) lease of industrial plots or plots for development of financial infrastructure under Notification 12/2017 – Central Tax (R) S. No.41 dated 28.06.2017.

2. The matter has been examined. The entry at S. No.41 of Notification 12/2017 – Central Tax (R) dated 28.06.2017 reads as under:

Sl. No	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)	Condition
(1)	(2)	(3)	(4)	(5)
41	Heading 9972	“Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, provided by the State Government	NIL	NIL

		Industrial Development Corporations or Undertakings or by any other entity having 50 per cent. or more ownership of Central Government, State Government, Union territory to the industrial units or the developers in any industrial or financial business area.”		
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3. It is hereby clarified that GST exemption on the upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable for long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business under Entry No. 41 of Exemption Notification 12/2017 – Central Tax (R) dated 28.06.2017 is admissible irrespective of whether such upfront amount is payable or paid in one or more instalments, provided the amount is determined upfront.

Yours Faithfully,

(Shashikant Mehta)
OSD, TRU
Email: shashikant.mehta@gov.in
Tel: 011 2309 5547
