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The Hon Supreme Court's recent decision on input tax credit (ITC) under GST Act for construction expenses incurred in the construction of Mall (new word Plant) which is given on rent has sparked uncertainty in the real estate industry. Builders and developers are left wondering if they'll be eligible for ITC if they lease out their properties, as the Court ruled that each case will be tested individually. This means no assurance of ITC, creating financial uncertainty for developers. The situation is further complicated by the fact that in future different High Courts may interpret the functionality test differently. For instance, the Orissa High Court's decision on whether a Mall constitutes a "plant" or not will take its own time, potentially taking 5-10 years to resolve. This ambiguity will lead to a plethora of litigation, as various High Courts wil.......

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