

GST on Apartment Maintenance Charges on Flats

Following requirements are to be complied by Housing societies to charge GST on maintenance charges vide circular date July 22nd, 2019 by the Finance Ministry

Annual turnover	Monthly maintenance per unit / per member	GST
Less than or equal to Rs. 20 Lac	Less than or equal to Rs. 7500	Exempt
Less than or equal to Rs. 20 Lac	Exceeding Rs. 7500	Exempt
Exceeding Rs. 20 Lac	Less than or equal to Rs. 7500	Exempt
Exceeding Rs. 20 Lac	Exceeding Rs. 7500	Applicable

GST Calculation

- The difference amount is not subject to the GST, but the entire amount is.
- GST is @ 18%

GST Exemption in Maintenance Charges

Exempted Items under GST – for all collection on behalf of State & Central Governments
Municipal Taxes / Property Taxes
Water Bills
Non-Agricultural Taxes
Energy Bills
Sinking Fund (Disputable)

GST Input Tax Credit (ITC)

- ITC is allowed on Security, Lift, Audit Fees, Repairs & Maintenance and all property upkeep charges

GST Reverse Charge Mechanism (RCM)

- The Society is required to pay GST through RCM on all goods or services from non-registered vendors.
- The Society can offset the GST liability on maintenance charges with the GST paid on such supplies.