

Commercial rental income beyond Rs 20 lakh to attract GST, says Hasmukh Adhia

Rental income from residential property has been exempt from GST but any earning over Rs 20 lakh annually from renting or leasing for commercial purposes would attract the levy.

Revenue Secretary Hasmukh Adhia said that if the house property is rent out for shop or office purpose, no Goods and Service Tax (GST) will be levied up to Rs 20 lakh.

"Rental income received from residential house is exempt. But if you have given your unit to commercial enterprise, then it is taxable if you are getting more than Rs 20 lakh as rent," Adhia said at the GST Master Class.

The taxpayer earning more than the exempted threshold will have to register with the GST Network and pay taxes.

GSTN Chief Executive Prakash Kumar said that as many as 69.32 lakh registered excise, service tax and VAT payers have migrated to the GSTN portal. There are over 80 lakh such assesseees in the earlier indirect taxation regime.

Out of the 69.32 lakh, as many as 38.51 lakh have completed the entire registration process and registration certificate is being issued to them.

The remaining 30.8 lakh taxpayers are being sent SMS and emails by GSTN so that they complete the registration process by giving the details of the business like main place of business, additional place of business, promoters details.

Besides, over 4.5 lakh new assesseees have registered on the GSTN portal since June 25.

Adhia further said that the facility to amend the details of businesses provided to the GSTN portal at the time of registration will open on July 17. Also, registration for GST practitioners will open on the same day.

Besides, cancellation of registration can be done online.

(Economic Times)