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**RATAN SAMAL & ASSOCIATES**

ADVOCATES HIGH COURT

Office Nos . 102 & 103, Prn shant Business Premises Co-op. Soc. Ltd., Prashant

Chambers, 74/78 Bhandari Street, Masjid(W), Mandvi, Koliwada , Mrnnbai- 3

Important iisues co1mected to Builders & Developers duri1g Assessment proceed ing;.;

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| **Sr.**  **No** | **Particulars** | | **Comments** |
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| l. | Charging: provisim S. MVAT Act. | 6 of | Sales Tax shall be lev:ed on the sale of goods as per schedule entlies. Tmnover o:f sa}:)s means aggregate amount of sales p1ice received or receivabk Sale price means vahmble consrlerat:ion paid or payable in respect of sale of goods. |
| 2. | Sale u/s 2(24)  ofMVAT Act | | S.2 SALE  I . Sale means Sales of Goods made **''ithin** the State for cash or defened payment or other vahmble consrlerati:m ............   1. Explanation    1. A sa}:) within the state includes a sales   detenui.ned u/s 4 of CST Act.   * 1. II] the trnnsfer of property of goods (whether as goocL or in some other fonn) :involved in the execution of a works cont:ract-   ..:inch1ding an agreement for canying: out for cash. defened payment or other vahm ble consideration the building:. constrnction. mannfi ctme. processing:. rnb1ication. erecti:m. installation. fitting: of improvement. mocl.ificat:ion, repair or conuuissioning: of any movable or inunovable property. *(w.ef 20.06.2006)."* |
| 3. | Detenuination of Sales  Ru}:) 58 ofMVAT Act | Pri::e- | R.58. Detenn:ination o:f sale ])lice & purchase ])lice in  ·esnect o:f sa1e bv tlansfer nt·nrone1tv in goods whether as 2ood or in some other for:m) involved in tl'e execi.tiuofa wats COitrnct un:lennvm act:- |

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|  |  | The value of the goocL at the time of the transfor of property in the goods (whether as goods or in some other fonn) involved m the execution of a works contract may be determined by eftecting the following deductions from the value of the entire  contract. in so nu· as the am.ounts relating to the  deduction pertain to the said works contract:-  Provided that where the contractor lrns not nRint ained accmu1ts which enable a proper evahiation of the difterent deductions as above or where the Commissioner finds that the accom1ts nnintainecl by the contra ctor are not sufficiently clear or intelligible. the contractor or. as the case may be. the Commissioner may in lieu of the deductions as above provide a lunp smn deduction as provided in the Table below and detennine accordingly the sale price of the goods at the time of the said transfor of property.  Note: 111e percentage i5 to be applied aft.er first deducting from the total contract price . the quanllun of price on which tax is paid by the sub-contractor. ifany. and the quant:l.un ot' tax separately charged by the contractor it' the contra ct provides if the contract provides for separate charging onax.  Amendment dated 29.01.2014  *Tl1e cost of tlie la11d determined u11der sub-rule IA*  *will be de<htcted.*  lA) In case of a com;trnction contract. where alongwith the i.:tnmowble property. the fand or. as the case may be . i.:t1terest in the land. underlying the immow ble property is to be conveyed. and the property in the goods (whether as goods or in some other form) invo lved m the execution of |

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|  |  | the constru ction contra ct is also transfonecl to  the purchaser such transfor i liable to tax m1cler this mle. The va lue of the said goods at the time of the transfer shall be cakulated after making the deductions under sub-1·ule (1) and  the cost of the bnd from the total agreem.ent value.  Amendment dated 29.01.2014  Replaced the above hig:hl.ighted portiorn and substituted  ··deduction of "  The cost of the land shall be deter:rn.:ined in accordance with the gui:l elines appended to the Almual Stat.enient of Rates prepared m1der the provi ions of the Bombay Stamp (Detennination of Trne Market Va .hie of Property) Rules. 1995. as applicable on the lst Januaiy of the year in which the agreen nt to sell the prope1ty is registered:  Provided that. deduction towai·ds cost of land m1d er thi sub-rule shall not exceed 70% of the agreement value. (Viele notification no VAT 1512/CR-84/Taxation-1 elated 30.07.2012 the proviso i deleted)  Amendment dated 29.01.2014 added provi5o *"Provitletl tltlll, after pny 111e111 of tax on lite 1•11./11e of goods, tleter111i11e<l Its per this rule, it slJ.111/ be ope11 to the tleuler lo prove before lite Depurtmenl of Tuw11 Pl111111.ing 111ul Vu/ 1wtio11 llull lite 11ct1w./ cost of the / 111ul is ltiglter ll1u11 tltnt lleter111i11ed in uccorllnnce witlt lite Ann11nl SU1te111e111 Rllles (i11c/ 11lling g11ille/i11es) prep11r etl muler lite prol'is ions of lite B 0111b11y Slllmp (Deter111i1111tio11 of Trne 111nrket Vn/ 11e of Properl) R11/ es, 1995. 011 s11clt uc11111./ cost being prm•ell to be ltigher clum the Ann11u / St111e111e111 of R 1ues, lite uc/1111/ cost of I111ul will be*  *tlet/11ctetl 111ul excess lllxpu itl, if 1111y situ/I be reji11ulell."*  Even in the notification sub-rule l(B) & l(C) is mlded.  ('.2) The value of goods so arrived at tmder sub­ ru1e(l) shall for the pmposes of levy of tax. be the sale price or. as the case may be. the p1u-chase price re lating to the transfor of |

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|  |  | property in goods (whether as goods or in  some other funu) involved in the execution of a works contract.  Amendment dated 29.01.2014  *771e pl11ce sub-mfe 1 1ul<lefl with lA* & *lB.* |
| 4 . | Efficts of the Amendments | :;.. Tiiose who have ah"eady filed retmrn aml paid ta'C  liability and Audit Reports are afao filed.   * *Reli 11uce Jute bulustl"ies vis CIT (J 20 ITR 921) (SC)*   ..It a cardinal principal ofta'C law that the law to be applied is that infurce in the assessment. year mi ss otherwise provided e;.,.-pressly or by necessmy in1ph:at.ions.··  :;.. Supreme Comt vide interim order dated 28.08.2012 directed the devebpers to register by 15.10.20 12 mid file retluns by 31.10.2012 mid ifpayment i made no coercive acti:m of t.a'C. interest. mid pena lty will be made. However. the payment is subject. to the final decii:>n of this comt.  :;.. Direct.ion of Supreme Comt in pm-a . 124 (65 VST 1) please read pg. 54 is directed to make rn so as to detennine the value of transfer of immovable property. In short. Supreme Comt has directed to give method of va hration of lmid cost. However. by way ofmnendment State Govenunent lras inserted IB  & lC whi::h not as per the direction mid fiu-ther. indirectly it creates clim·geabilit.y.   * *Huk1mtclu11ul* 1V:r *UOI (1972) (2 SCC 601)*   Tiie power to make subord.itrate legislation is derived from the enabl.iL1g Act mid it is fimdmnent al tlrat the delegate on whom such a power is confened lras to act within the limits of authority confe!Ied by the Act. Rules cmmot be made to supplmt the provisions of the enabling Act to supplement it..   * *Agr i culture M11rket Co111111ittee* 1Vr: *Slt11/ i 11t(lr*   *Che111ic11./s Works LUI (AIR 1997 SC 2502)* |

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|  |  | 111e leg.al :fiction cam1ot be widened by rn s or byelaws to provi:le finther that it notified market area. it shall be deemed to have been sold or pmchased in that area.  -, There is no rational logic in detenni.tling the percentage for aniving at the value of goods i.twolved in works contract.  -, lfactual books of account ma intained stage wie then whether. such qnantificati:m can be :ignored and 58(l)(B) will supersede is a matter of debate.  -, There i no method given fur bnd capable of using.  IDR which il one of the measme for stamp duty  va.hiation. Land capable for using TDR for lvlmnbai City & Mmnbai submb should be vah1ed at 1.4 times the land rate as per ready reckoner keepi.tig: i.t1 mind the rate fur 1FSI. |
| 5. | Ln bility starts :from the date of  agreement with the buyer. | In L & T v/s UOI (65 VST 1) parn 115 held tru1t the  i1ctivity of construction undertaken by the developer  would be works contrn ct only from the stage, the developer enters into contrn ct with the flat purchaser. The Value Addition 1mde to the goods trnmferred after the agreement is entered into ''ith the flat purchaser can only be made char geable to tax by the State Government. Hence, Rule 58(1) (B) describing the stages and per centa ges is contrary to the r atio and principle laid down by Hon'ble Supreme Court and \\ill lead into violation of Article 141 of Comtitution |
| 6. | \\lhether a constrncted flat is sokl whether the same is ta"'\:ed?  Fmther. when a constmction is said to be completed i.e when can one say that a ready flat is soU | InK .Rahejajudg.ment Hon'b Supreme Court in secoml last para has obse1ved that it must be cbrifid tliat if an  agreement is entered aft.er a flat or m1it is alieady constructed then there would be no works contract. But so biig: as the agreeme nt is entered into before the corntmction i complete it. woukl be works contract.  Even in L& T v/s U 0I Hon'ble Supreme Comt in para 117 had approved tl1e view taken in K .Raheja niatter and cli ag.reed the counted vilw advanced by Mr. K N Bhatt :from State ofKarnataka.  But tlie moot question reniairn tliat when one can sav tliat |

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|  |  | constrnction il said to be completed? Under the Local Act like the l'vllmicipality Act which governs the buil:l.ing construction contract activity. contains provisiom in this respect . When we t a.ll;: about BMC Act. S. 535A deafa w ith such i5sue. In alternate the Li:ensed Supervi5or RCC consultm1t certificate dealing with completion of constmction will be taken into account to decide whether ready flat i5 sold or not. |
| 7. | When the development area is  exchanged then whether the same can be taxed? | i\Vhen area against area ilexchmiged the sarn.e w ill not  Jallunder the mnbit of the tax since. it ilthe sale price which measured :fur the purpose of Jevyiiig tax and iI1 the absence ot-sa 1es plice the smne cannot be brought under the ta" net . e:ither itwill tenned as exchmiged or bmter. Judgment can be looked :into iI1 the matter of M/s Ozone Properties P Ltd *(52* VST 37IXKm') even a reference cm1be made to CIT v/s Motor & General Stores (66 ITR 629) (SC). State of Rajasthm1 v/s Rajasthm1 Chemistry Association (147 STC 542) (SC)  &Dm·mnplll' SugarMilss Ltd v/s Commissioner Tracie Tax U.P ( 147 STC 57) (SC). Ewn iI1 L &T judgment Hon'ble Supren1e Court has made a reference that the rnmetmy consideration is subject matte rof Jevy iI1 pm·a 114 observed that *'Tlwt definitio11 of works colllract* 1:s *inclusive a11d refers to building contracts a11d diverse construction acti1ities for monetwy co11sideratio11, viz; for cash, defen·ed payment or other valuabl e co11si.deratio11 as works contract.*" |
| 8. | 1% composition whether will be  paid when the agreement is entered even though no work staited and no involvement of goods. Whether. one can challenge l% scheme being arbit:rmy in this context. | No doubt once a regitered dealer opts adminiltered benefit like composition foregoing the regutu methods and benefits availa ble then he i bmmd to go with conditions there.in. Hence. in l% composition payment il to be made in the month in which agreement i5 registered by taking the agreement value in the rettuns.  But on accom1t of certai.t1 contingency ifthe constrnction is not at all stmted then whether the composition cm1 be refiuKled back remains i.t1 a question mark.  Hon'ble Bombay High Comt in MCHI in pm·a 51 had observed that composition il available at the option of the registered dealer. The comt may in an e::-i,.:reme |

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|  |  | instance inte1fore in the exercise of power of judicial  review only where the tenns of a compositi:m scheme ex-fuice arbitraiy ai1d extraiieons so as to be vi>lative of Article 14 that has not been established before eth. comt in th.is case.  Hence. the issue is still open on the basil of the present illustrati>n:one cai1 challenge the condition No. 2ofthe composition scheme bringing the fact though the docmnent is registered on which ta."\: has been paid but the constrnction has not been slatted for munber of years . |
| 9. | Applicability of VAT on the Sale  agreement entered ptior to 20 .06 .2006 and if the involvement of goods is aft.er 20 .06 .2006: whether the same can be ta."Xed? | As per the chai·ging provilions m1der the l\IIVAT Act, the  aggregate ainmmt of sales pri:e (tmnover of sales) is subject matter of levy ofta.-.x and sale price is received on account of sale. Under definition of saE u/s 2(24) ai1 agreement for cany.ing out for cash. defimed payment or other valuabE consi:leration the building. construction ....... At the time of ente1ing into the agreement which is ptior to 20.06.2006 it was not fulling into the clefiniti>n. Hence. no chai·ge ts created ai1d if any subsequent .involvement of goods on such non-sale h-ansacti>n at1d even though consideration i5 received it catmot be converted to saE so as to levy ta.."\:.  In order. to impose ta.."\: there are 3 aspects are needed charging. incidence ai1d measmenient of ta."\:. If aiiy one of the present 3 aspect is absent then irnpositi>n of ta."\: i5 not permissible. Chaiging aspect i5 agreement to a consh11ct a buil:ling or flit incident i5 involvement of goods ai1d nieasmenient is the price consideration of involvenient of goods. In the present illush·ati>n the agreement was entered ptior to 20 .06.2006 at that time there was no charging provilion in the statute book. hence. subsequently involvenient of goods at1d pri:e makes no diffirence. TI1erefore. in non-sale trat15action on accmmt of subsequent receipt of money or involvement of goods catmot be brought tmder tax net. |
| 10. | When can one say that a  builde1/developer has entered an agreement ? | To answer the present proposition let rn look into the  statutmy provi5ions in this respect. Section 2(24) of the MVAT Act defines the tenn 'sale' for the pmpose of the Act which inchides ''the t:ramfer of property in goods, (whether as goods or in some other fonu) involved in  the execution of a works contract .inch1cl.ing an |

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|  |  | agreement for canying out for cash, defeJTed payment  or other valuable considera tion, the building. constrnction, manufactme, processing, fabrication, erection, installation, fitting out, improvement, modification, repair or commi5sioning of any movable or inunovable prope1ty." The term an agreement for· carr)'ing out the building, com1ruction ..... is having greater significance . The tenn agreement U5ed in the definition i> in the context of contractua l obligations between the builder developer and the flat buyer. Hon'ble Bombay High Comt in the matter ofMCHI v/s State of Mahara shtra (51 VST 168) had refened to the judgm ent of Hon'ble Bombay High Comt in the matter of Vrindavan (Borivali) Co-operative HoU5ing Soc. Ltd v/s Kannakar Brothers [1983) 2 Born .C. R. 267, in the said judgm ent Hon'ble High Court had noted that ·'an agreement ln1der MOFA is not an ordinary agreement like a contra ct of sale becaU5e it i> required to be executed in confonnity with the provision of Section 4 of MOFA and has to be registered. The agreement involves a statut01y compulsion to provid e ce1tai.J1 tenns." Hon'ble High Comt has also refeJTed another matter known as Maria Philomi.J1a Pereria v/s Rodrigues Constrnction [AIR 199 1 Born 2 7) wherei.J1 it was obse1ved that "whenever a builders enters into an agreement with any flat plll"chaser contai.J1ing provisions which are to be i.J1c01vorated as provided lmder the Ownership Flats Act, a ll such agreement mu>t necessarily be held to be special agreement. "  Hon'ble Bombay High Comt i.J1 MCHI had relied upon the judgment ofHon'ble Supreme Comt .in the matter of Jayantila l Investments v/s Madhuvihar Co-operative  HOU5ll1g Society [2007 (9 sec 220)) wherei.J1 .it has  noted that an agreement between the promoter and flat  purchaser i> mandatorily required to be complied with the p1·escl'ibed form V. The Supreme Court held that clame 3 & 4 of the prescribed fonn are declared to be  statut01y and mandat01y by the legi>latme becal15e the promoter 1s not only obliged statutorily to give pa1ticulars oflanc amenities and facilities among other thi.J1gs but he is obliged to make foll and hue di>closme of potential of the plots which i5 the subj ect matter of |

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|  |  | agreement. 111e Supreme Comt noted that at the time of  execution of agreement with the flat taker the prom oter i5 obliged statutorily to place the entire project/scheme.  Ftnther, a reference was made to the judgment of Hon'ble Bombay High Comt in the matter of State of Maharashtra v/s Mahavi.r La l Chand Rathod [1992 2 Bom.C.R. l] to tmderstand the nature of agreement tmcler MOFA. In the said judgment it was held that agreements for sale executed in tenns of Section 4 of MOFA m its eftects and for all purposes are conveyances in as much as the rights title and interest in the flat would stand transfeJTed in favour of purchaser on payment of irntallment. The present judgm ent i5 afinmed by the Supreme Comt in Veena Hasmukh Jain v/s State ofMaharasht.ra [1999 (5 SCC 729)).  After ca.refill analysis of the above jud gment Hon'ble Bombay High Cornt in MCHI matter held that *"As a result of statutory provision an agreement which is go1•emed by the J\110FA is 11ot a11 agreement simpliciter i11vofri11g mi ordi11ary contract under w/U:ch a flat purchaser has agreed to take a. flat from a developer but* 1:s *a co11tract which is impressed with statutorv rights and obligatio11s."* Even Supreme Cotut in the matter ofL&T had approved the aforesaid obse1vations.  Hon'ble Supreme Cmut in the matter ofL&T v/s State of!-.:.amataka (65 VST 1) bad clarified that *"activity of co11stmctio11 mulertake11 by the developer would be works co11tract 011ly at the stage where the developer enters into a co11tract with the flat purchaser. The l'alue addition made to the goods transferred after the agreement is entered into with tile flat purchaser can only be made chargeable to tax by the State Government.* "  Hence, to stnn up it is the elate of the execution of an agreement i5 the elate from which liability in the hands of builders and developer will commence. In my opinion from the elate of letter of allotment or on rece1vmg substantial quanhun of advance without execution of agreement cannot be implied to be |

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|  |  | contrnctual relationship entered. Hence, the incidence of tax in the hands of builder and developer stmis from the execution of the agreement with the flat buyer and any property m goods transteJTed into the flat shall be subject matter oflevy of tax tmder the MVAT Act |
| 11. | If a developer obtains for  composition payment of 5% and if he wants to change tol% composition whether it is pennissible and vice-versa? | 111ere is condition as such for changing cornpositim from  5% to 1% u/s 42(3) of the Act. Hence. a deve loper cm1  clrnnge the composition method to l%. but in such circmn.,,"'tm1ces the conditi:m faid down in the notification dated 9.07.2010 ilrequired to be complied ie he has to foigo the set-off cfaimed and reverse it m1d fiuther. he is not entitle to issue decbration in Fonn C on .interstate trmisaction m1d similm·Jy cmmot £sue Fonn409 to his sub-contractor.  However.ifmiy dealer opts for composition for 1% he slrnll no switch over to miy other method of computation of liability in respect o:ftlrnt contract. |
| 12. | Whether set-o:ff can be claimed  folly *if* the builder/developer is  adopting composition u/s 42(3)? | Full set-off il mt allowable on accom1t of reduction of set­  o:ff u/r 53(4)(b) to the extent of4% of the purchase price will  be reduce. |
| 13. | If the principal contractor like  developer avoi:I sub-contract wholly or partially and sub­ contractor il i.nvolving material and bbour and developer i tu1der cornposition scheme. then whether. foll set-o:ff available in the hands of s11b-contracto1'? | E::-q>lmrntion to Ru 53(4) e::-q>ressly provides reduction even  in the lrnIKls of tlie sub-contractor if tlie main contractor is  \ll1der composition. In short. sub-contractor is not eligible for  fo.ll set-o:ff.irrespective oftl1e metl1ods. |
| 14. | If the ma n1 contra ctor or the  employers supply pmt or whole of goods to sub-contractor mid deduct out of the total contract value. whether the sub-contractor while clrnrg:ing ta"'\: will reduce the material received fiom the employer? ! | Sub-contrnctor lrns to pay tax on the total contract value  entered with tl1e nrni11 contractor. There m·e two re btimish J entered with. l'' as a sub-contractor m1d 2nd as the buyer of tl1e goods. And the main contractor has to chmge ta"'\: as ifm1 ord:itrn1y trader and sub-contractor £ entitle set-off benefit . Sub-contrnctor lrns to dischm·ge ta"'\: on tl1e ent:it"e sub-contract vah1e. Please refer N.M Goel (I09 STC 425) m1d Raslu·itya spat Ni.gain Ltd judgments for reference . |
| 15. | Whether stamp duty and other  e::-qJenses fonn a part of Contract Price ? | No. stamp duty does not fo1m part of contract price as per  S.2(25) it clearly indi::ates only in E::-q>fanati:m to the definition of Sale Price that ·TI1e amount of duties levied or leviable on goods under the Central Excise Act, 1944 (1of 1944) or the Customs Act, 1962 (52 of 1962) or tltt |

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|  |  | Bombay **Prohibition** Act, 1949 (Bom 25of1949), shall be deemed to be palt of the sale price of sucl1 goods. whether such dutils al·e paid or paya ble by or on behalf of the seller or the pmchaser or allY other person". Since. stalnp duty is not covered imder the said eJq)laliation it shallnot fonn patt of Contract P1ice . Fmther. Hon'b Bombay High Comt in the matter ofM/s She1gal Autoriders P Ltd (43 VST 398) it ii held that "In respect of insmal1ce alld regiitration cliarge collected in the invoices you al·e acting all agent on belialf of the customer. The Sallie calmot be te1111ed as alno1urt of sale consi:leration hence it i5 not subje cted to ta.,'X. Therefore. depalt111ent lias no right to charge tax :from i11smal1ce alld regiitration cliarge collected :from the custo111ers". |
| 16. | Whether advalices paid on ma intetiance. electricity cliarges will fo1rn pa1t of co1rtract pri::e  when it ii included in agreen1ent? | No the Sallie sliall not fonn part of contra ct price they al·e reimbmsen1e1rt. in natme. hence calmot fonn palt fonn of  sale p1ice for the pmpose ofvy. |
| 17. | How the vah1e of lal1d shall be  detenni.ned whi::h ii capable of  using IDR? | UtKler the stalnp vahiation mle lal1d capab of using IDR of  Mumbai submbs should valued 1.4 tin1e s of the Land ready reckoner rate. |
| 18. | \\lhether the va h1e of land cost  will be reduced if the developer  opts for composition schen1e ? | No reduction of lal1d co;,1 i5 available. He lias to discliarge  the ta.,'X on totalcontract vahle . |
| 19. | Whether se1vice tax compone1rt will fo1rn palt of the total contract  value? | In my opinion se1vice tax should not fonn palt of contract va lue but the issue i5 sub-judice before Hon'ble Ttibmml in  the matter of J\1/s Nikhil Comforts. Mis Sui ata Printers alld M/s Abltjjeet Interiors. |
| 20. | Out of the total constrncted al·ea a  portion is required to transfer to lm1d owner. balmce sold to land owner whether. total set-off allowab onpmclia ses? | As earlilr opined exclmnged al·ea is not subjected to levy alld  will not co111e under the VAT law. rnateril l used in those flits buil:ler ii not eligible for set-off |
| 21. | Devebpn1ent r.iglrt obtained by  builder against flat. whetl1er ta'.X payable on such flat? | No ta.," payable on such flat. |
| 22. | In an undergoing corntrnction flat  all agreen1ent is entered and ta.'X  collected atKl paid . subsequently agreement is cancelled and sol:l | No. ta.'X is payable on the second agreen1ent since  involven1ent of goods is subject matter of vy. Once it i5  cliarged second time no ta.'X is levilble. |

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|  | to another pernon whether. 011 second agreement afao ta" is payable? |  |
| ?-"'· | When an agreement i> executed  and ta" fa collected aml pai:t. rmbsequently on cancellation of agreement and retained by the developer until foll corntrnction of flat and sokl as .inurnvable prope1ty. whether. mnomlt pai:t cm1 be refimdable? | Yes. since there is no transfer of property in goods in the execution of works contract to others. It is not subjected to tax Hence. you can claim refund as per the procedure. Even in L&T judgment in para 114 Ho11ble Supreme Comt has obse1ved that *..unless the agreement is ter111i11ate<l it remains works comract."*  TI1erefore. :if the agreement is tenninated it is not w01ks  contrnct mid not su ect to levy. |
| 24. | Whether c01mnon **area** like parking space is sold is subj ected  to levy? | Hon"ble Bombay High Comthas referred to MOFA in which flat inchides a gm·age (S.2a- l of 1\11OFA Act). Hence. the  va.h1e is subject matter oflevy. |
| 25. | The developers who **are** not  registered yet what **are** the method of computation of liability in his hm1ds? | TI1e methods avaibble u/r 58 or S.42(3) but he i> not eligible  to opt l% composition u/s 4 2(3A). |
| 26. | Whether. developer has to deduct  TDS on sub-co1ltact vah1e? | In lieu of proviso to Section 31(1) no IDS i> required to be  deducted on the payment made to sub-contractor. |