

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
LOK SABHA  
STARRED QUESTION NO. \*109**

**TO BE ANSWERED ON MONDAY, JULY 28, 2025/ SRAVANA 6, 1947  
(SAKA)**

**GST ON APARTMENT MAINTENANCE CHARGES**

**\*109. SHRI MANICKAM TAGORE B:  
SHRI SURESH KUMAR SHETKAR:**

**Will the Minister of FINANCE be pleased to state:**

- (a) the manner in which the Government ensure that residents of smaller apartments with maintenance charges less than 7,500 are not burdened by the GST compliance requirements;**
- (b) the measures taken/to be taken by the Government to address the concerns of residents who are unsure about their apartment's GST status and may need to obtain an official letter;**
- (c) the manner in which the Government ensure that apartment associations are equipped to handle the increased compliance burden and paperwork requirements under GST;**
- (d) the rationale behind imposing an 18% GST on apartment having maintenance charges of 7,500 or more, and how will this impact residents;**
- (e) the manner in which the Government provide clarity on the process for apartment associations to obtain an official letter confirming their GST status, and the implications of not obtaining such a letter;**
- (f) the manner in which the Government address potential issues arising from penalties and fines imposed on apartment associations for non-compliance with GST regulation?**

**ANSWER  
MINISTER OF FINANCE  
SHRIMATI NIRMALA SITHARAMAN**

**(a), (b), (c), (d), (e) & (f): A statement is placed on the Table of the House.**

\*\*\*\*\*

**STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION NO. 109 RAISED BY SHRI MANICKAM TAGORE B AND SHRI SURESH KUMAR SHETKAR FOR 28<sup>TH</sup> JULY 2025 ON “GST ON APARTMENT MAINTENANCE CHARGES”**

**\*\*\***

**(a): GST rates and exemptions are prescribed on the recommendations of the GST Council, which is a Constitutional body comprising of both the Centre and States/UTs. No GST compliance requirements have been placed upon the residents who are the service recipients in this case, irrespective of the amount of maintenance paid. Compliance requirements, if at all, are placed upon the apartment associations, who are the service providers. Moreover, as per the recommendations of the GST Council, services provided by an apartment association (an unincorporated body or a registered non-profit entity) to its own members against maintenance charges up to Rs. 7,500/- per month per member are already exempt from GST.**

**(b): As stated above, no GST compliance requirements have been placed upon the residents, irrespective of the monthly maintenance amount paid. The compliance requirements are placed upon the suppliers, i.e. the apartment associations who are required to register under GST if their aggregate turnover exceeds Rs. 20 lakhs (Rs. 10 lakhs in special category States) in a Financial Year. Such associations are required to pay GST only where the maintenance charged is more than Rs. 7,500/- per month per member. On the recommendations of the GST Council, considering the importance of the issue, the Central Board of Excise and Customs has issued Circular No.109/28/2019-GST dated 22.07.2019 wherein all relevant aspects pertaining to the issue have been clarified. Further, the Ministry of Finance has also issued two press releases dated 13.07.2017 and 07.02.2018 to inform the general public. This has been done to provide clarity to the general public. Events like Taxpayer Samvad, workshops, and awareness programs are regularly being organized for information dissemination and awareness through GST facilitation centers. These initiatives are designed to help taxpayers accurately assess their tax liability. Further, there is no requirement under CGST law to obtain any official letter by the resident or apartment associations regarding their apartment's GST status.**

**(c): The compliance requirement for all persons, including apartment associations, are the same under GST, once they cross the threshold for registration. Apartment associations have not been burdened with any additional compliance requirements under GST. Initially, services by an apartment association to its own resident members against maintenance charges up to Rs. 5,000/- per month were exempt. However, the exemption limit was enhanced to Rs. 7,500/- per month per member in accordance with the recommendations of the GST Council in its 25th meeting held on 18.01.2018. Apartment associations having maintenance charges up to Rs. 7,500/- per month per member or having aggregate turnover of goods and services below the threshold need not be registered under GST.**

**(d): GST rates and exemptions are prescribed on the recommendations of the GST Council, which is a Constitutional body comprising of both the Centre and States/UTs. The services by an apartment association to its own resident members, where the maintenance charges are greater than Rs. 7,500/- are taxed at the rate of 18% on the recommendations of the GST Council. The limit of Rs. 7,500/- was also prescribed on the recommendations of the GST Council in its 25<sup>th</sup> meeting in which a decision was taken to increase the limit from the previous level of Rs. 5,000/- per person per member.**

**(e): Please refer (b) above.**

**(f): If any due tax has not been paid under the GST Act, the taxpayers are provided with an option to pay either no penalty or reduced penalty provided they are ready to pay the due tax within a specified time period. Furthermore, relief was also provided to those taxpayers *vide* Notification No. 21/2024-Central Tax, dated 8<sup>th</sup> October, 2024, issued under Section 128A of the CGST Act, who have received notices or orders under section 73 of the CGST Act pertaining to the period from 1<sup>st</sup> July, 2017 to 31<sup>st</sup> March, 2020, so as to make payments for tax payable with waiver of interest or penalty until 31<sup>st</sup> March, 2025. Apartment associations who were falling in such category were eligible to avail benefits of Section 128A.**

**\*\*\*\*\***