

**GOVERNMENT OF ASSAM**  
**OFFICE OF THE COMMISSIONER OF TAXES, ASSAM :: KAR BHAWAN**  
**DISPUR, GUWAHATI-6**

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**CIRCULAR NO. 55/2019-GST**

Dated Dispur the 6th May, 2019.

**Subject: GST exemption on the upfront amount payable in for long term lease of plots, under Notification 12 – State Tax (Rate) Sl. No.41 dated 29.06.2017 (No. FTX.56/2017/25 dated 29.06.2017) -reg.**

**No. CT/GST-15/2017/367.** - Representations have been received by the Commissioner of State tax, Assam, seeking clarification regarding admissibility of GST exemption on the upfront amount which is determined upfront but is paid or payable in installments for long term (thirty years, or more) lease of industrial plots or plots for development of financial infrastructure under Notification 12 – State Tax (Rate) Sl. No. 41 dated 29.06.2017 (No. FTX.56/2017/25 dated 29.06.2017).

2. The matter has been examined. The entry at Sl. No.41 of Notification 12 – State Tax (Rate) dated 29.06.2017 (No. FTX.56/2017/25 dated 29.06.2017) reads as under:

Sl. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)	Condition
(1)	(2)	(3)	(4)	(5)
41	Heading 9972	“Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, provided by the State Government Industrial Development Corporations or Undertakings or by any other entity having 50 per cent. or more ownership of Central Government, State Government, Union territory to the industrial units or the developers in any industrial or financial business area.”	NIL	NIL

3. It is hereby clarified that GST exemption on the upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable for long term lease (of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business under Entry No. 41 of Exemption Notification 12 – State Tax (Rate) dated 29.06.2017 (No. FTX.56/2017/25 dated 29.06.2017) is admissible irrespective of whether such upfront amount is payable or paid in one or more installments, provided the amount is determined upfront.
4. This Circular is clarificatory in nature and not meant for any interpretation of provisions of the Act and rules.
5. Difficulties, if any, in implementation of the above instructions may be brought to the notice of the Commissioner at an early date.
6. This Circular shall be deemed to have been issued on 30th April, 2019.


Sd/- Anurag Goel, IAS.,  
Commissioner of State tax, Assam,  
Dispur, Guwahati

Memo No. CT/GST-15/2017/367-A

Dated Dispur the 6th May, 2019.

Copy to :

1. The Additional Chief Secretary to the Government of Assam, Finance Department, Dispur, Guwahati-6 for favour of kind information.
2. The Commissioner & Secretary to the Government of Assam, Finance (Taxation) Department, Dispur, Guwahati-6 for favour of kind information.
3. The Commissioner of Central GST, Guwahati / Dibrugarh for information.
4. The Additional Commissioner of State tax (All) / Joint Commissioner of State tax (All) for information.
5. The Deputy Commissioner of State tax (All) / Assistant Commissioner of State tax (All) / Superintendent of State tax (All) / Inspector of State tax (All) for information and necessary action.
6. The Information Technology Officer, Office of the Commissioner of State tax, Assam for uploading it on the website of the Commissionerate for information of all concerned.

  
Commissioner of State tax, Assam,  
Dispur, Guwahati