



With the first anniversary of the Goods and Services Tax (GST) on July 1, 2018, it is worthwhile to know how the real estate industry has taken the change in tax structure. Reduced GST for affordable housing has brought in relief for buyers searching for low-budget homes.

Here is the reaction from the real estate industry on the impact of GST on the real estate sector in the last one year.

Mr. Amit Ruparel, Managing Director, Ruparel Realty

Implementation of GST has brought a radical change in the real estate sector and has helped to bring in a lot of transparency in the sector. Initially, the market witnessed a sluggish trend with implementation of GST, but now it is slowly moving towards recovery. The issue initially was that the homebuyers were expecting immediate price drop which was unattainable due to various factors and estimates, for which an over-night change cannot be expected. However, the market sentiments are more positive now with various other government initiatives to promote 'Housing for All by 2022'. Homebuyers have regained their trust and there has been a marked increase in demand for affordable housing especially in Mumbai. From a realty developer's point of view, compliance to file the returns thrice a month is a concern. This makes the filing of returns both tedious and difficult for businesses with less number of accounting professionals. We also look forward to a structured legal mechanism to deal with protection against defaulters.