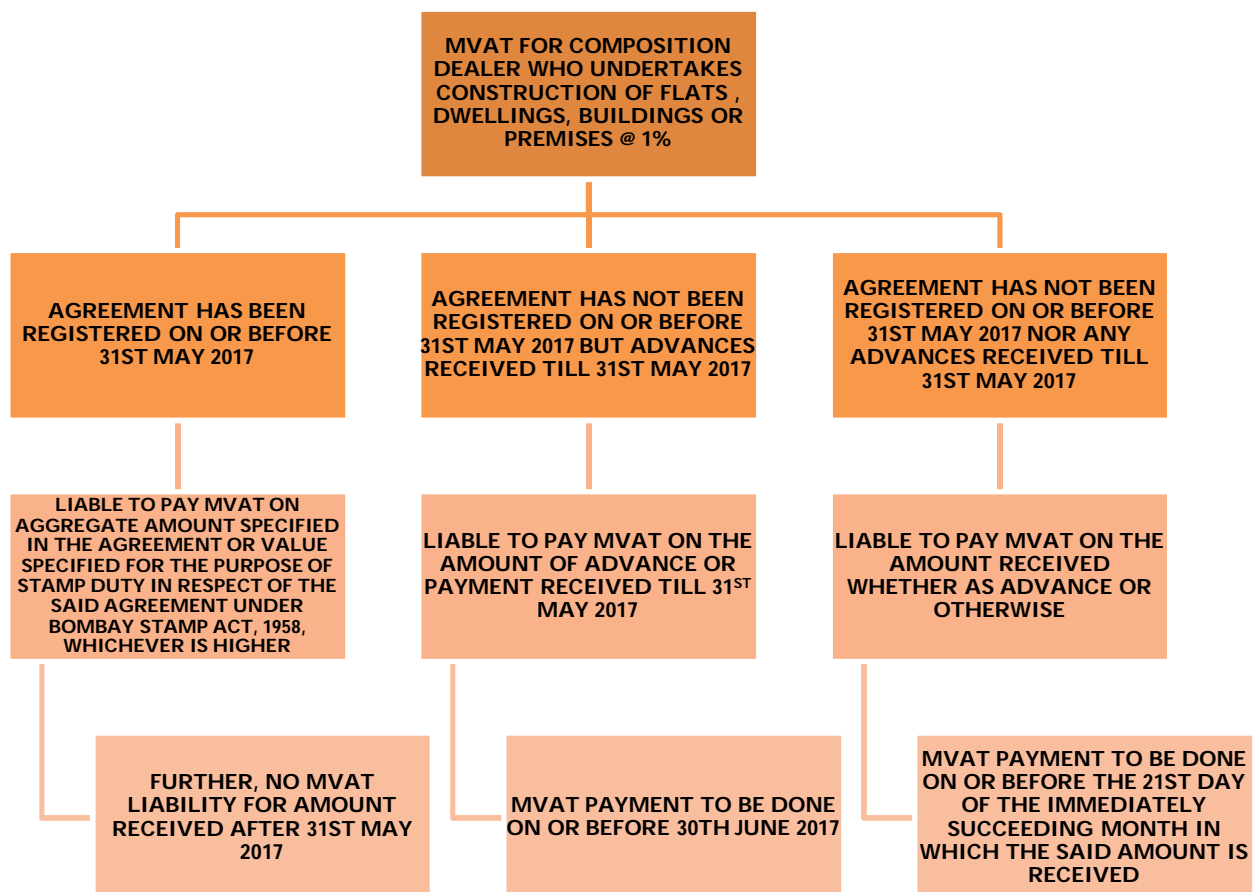


**MVAT PAYABLE ON RECEIPT BASIS FOR CONSTRUCTION
COMPOSITION DEALERS**

Through **Notification No. VAT. 1517/C.R.57/Taxation-1. dated 26th May 2017**, the Government of Maharashtra has passed a very important Notification **amending the Notification No. VAT 1510/CR-65/Taxation-1, dated 9th July 2010** related to the **composition scheme** provided to the registered dealer who undertakes construction of flats, dwellings, buildings or premises and transfers them in pursuance of an agreement along with land or interest underlying the land.

The following are the synopsis of the said Notification:

1. In the preamble of the Notification No. VAT 1510/CR-65/Taxation-1, dated 9th July 2010, for the words **“transfer them in pursuance of an agreement”** the words **“transfer or agrees to transfer them in pursuance of an agreement or otherwise”** shall be substituted
2. Payment of MVAT liability as per the notification shall be payable as under:



To sum up, Builders and Developers are liable to **pay VAT @1% of the payment received** in respect of the flats, dwellings, building or premises (whether as advance or otherwise); hence, making **date of registration of agreement irrelevant** for liability of MVAT.

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