

Realty Today

May 2018



Dear Readers,

Realty Today is a monthly newsletter bringing to our customers and close-knit friends, a deeper look into the happenings in the real estate world and keeps you up-to-date with the changing trends in the industry. This insightful carrier lets you peep into the victories and developments within the Kalyan Developers family and even keeps you informed about the entire span of the real estate industry to make better investment decisions.

Regards,
T.S. Kalyanaraman
Chairman, Kalyan Developers

Capital gain exemption available even if housing loan is used for new house.

The Kolkata bench of the Income-tax Appellate Tribunal (ITAT) has held that investment-linked capital gains tax exemption, which is available on purchase of a new house, cannot be denied merely because the taxpayer has taken a housing loan. Capital gains are taxable under the Income-tax (I-T) Act. If on sale of a residential house (held for at least two years), the taxpayer makes a profit, then such profit is treated as a long term capital gain (LTCG). This gain is taxable at 20%

with an adjustment for inflation. According to Section 54 of the I-T Act, if an investment is made in another house in India, within the stipulated period of time, then the 'cost of the new house' is deducted and only the balance component of the LTCGs is taxable. Such deduction results in a lower I-T outgo. Thus, if the amount of the capital gain is equal to or less than the cost of the new house, the entire sum of LTCG is not taxable.



Assured returns to home buyers is financial debt.



If a builder takes a lump sum amount upfront from a homebuyer but neither hands over the unit nor pays the money back promptly, consumers can initiate insolvency proceedings to recover the funds. But the buyer should have a proper agreement in place with the builder detailing the regular payments that are to be made. Arrears of these assured returns and money owed by a builder to a buyer with

whom an agreement is in place to make regular payments qualifies as 'financial debt', as per the National Company Law Appellate Tribunal (NCLAT). Persons getting assured returns can be termed as 'financial creditors' and can file for a corporate insolvency resolution process under Insolvency and Bankruptcy Code (IBC).

Creating spaces as unique as 'you'.

Kalyan Developers is proud to announce the launch of our interior design wing - Kalyan Decor. While working hand in hand with you to design the interiors of your home, we at Kalyan Decor will not see just rooms, but spaces that reflect the person

you are. Together, we'll create spaces that are an extension of your identity. Spaces that are designed so uniquely that your home becomes everything you've dreamt of.

