

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2931
ANSWERED ON:15.03.2010
. INFRASTRUCTURE STATUS TO REAL ESTATE
Gandhi Shri Feroze Varun

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Government proposes to accord infrastructure status/special package to the real estate industry;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (c): The real estate sector currently enjoys the following profit linked tax benefits under the Income Tax Act, 1961.

(i) Deduction equal to 100 per cent of profits & gains is available for any 10 consecutive assessment years out of 15 assessment years from the year in which the undertaking or enterprise develops an industrial park/ SEZ under Section 80-IA(4) (iii).

(ii) Deduction equal to 100 per cent for 10 consecutive assessment years from the year in which SEZ has been notified under Section 80-IAB.

(iii) Deduction equal to 100 per cent of the profits derived in the previous year relevant to any assessment year from housing project under Section 80-IB(10).

There is no proposal at present to include the real estate sector under the definition of 'Infrastructure facility' as defined under Section 80-IA(4)

(i) of the Income Tax Act, 1961.