



Office of Assistant Commissioner of State Tax,
Jalandhar-2
Excise and Taxation Bhawan
Near Lyallpur Khalsa College Halt
Jalandhar



DIN: PBST-2024-12-015-14-265282
24

DATED:17-Dec-

TO

TRADE NAME:VIBRANTICK INFOTECH SOLUTIONS
LEGAL NAME:RAKESH KUMAR RAI
GSTIN:03BINPR6900A1ZK
EMAIL ID:info@vibrantick.in
MOBILE NO.:9870443528

Notice regarding RCM on the renting of commercial property.

In a significant move to prevent revenue leakage and enhance compliance within the Goods and Services Tax (GST) framework, the Central Board of Indirect Taxes and Customs (CBIC) issued Notification No. 09/2024 – Central Tax (Rate) on October 8, 2024. This notification brings under the Reverse Charge Mechanism (RCM) the renting of commercial property when an unregistered person provides the service to a registered person, effective from October 10, 2024. Notification No. 09/2024 marks a significant shift in how **GST on rental income** is handled, especially for **unregistered landlords** renting to **registered tenants**. Effective **October 10, 2024**, this change introduces **Serial No. 5AB** to Notification No. 13/2017, detailing new **Reverse Charge Mechanism (RCM)** obligations.

This amendment mandates registered tenants to pay **18% GST** under RCM if they rent properties from unregistered landlords. Let’s explore each scenario with a clear breakdown of **GST**

Therefore the RCM provision under Serial No. 5AB places the **tax payment burden** on the registered tenant, who must calculate and remit the GST on the rental payment. For yours reference Notification No. 09/2024- Central Tax (Rate) dated 08 Oct 2024 is reproduced as under:

(E).- In exercise of the powers conferred by sub-section (3) of section 9 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), number 13/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i), vide number G.S.R. 692

1. In the said notification, in the Table, after serial number 5AA and the entries relating thereto, the following serial number and entries relating thereto in columns (2), (3) and (4) shall be inserted, namely:

1	2	3	4
5AB	Service by way of renting of anyproperty other than residentialdwelling.	Any unregisteredperson	Any registeredperson

2. This notification shall come into force with effect from the 10th day of October, 2024.

Therefore you are hereby directed to pay the due tax in the form of RCM as per the provisions of the notification under consideration for the month of October and November 2024 and also if the landlord is already registered under the GST Act please provide the details of the amount received along with copies of the rent agreements executed by 20.12.2024.

Kindly submit the intimation and the reply in this regard in the officer of the undersigned i.e. Room No 1, 3rd Floor, GST Bhawan, Jalandhar-2

In case of non compliance recovery proceedings as warranted under law will be initiated against you.

State tax officer
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Jal-2