



Income Tax Department

Government of India

429. Whether allotment of flats/houses by co-operative societies and other institutions, whose schemes of allotment and construction are similar to those of DDA, should be treated as cases of construction for purposes of sections 54 and 54F

1. Attention is invited to Board's Circular No. 471, dated 15-10-1986. It was clarified therein that cases of allotment of flats under the Self-Financing Scheme of the Delhi Development Authority (DDA) should be treated as cases of construction for the purposes of sections 54 and 54F of the Income-tax Act. The Board has since received representations that even in respect of allotment of flats/houses by co-operative societies and other institutions, whose schemes of allotment and construction are similar to those of Delhi Development Authority, a similar view should be taken.

2. *The Board has considered the matter and has decided that if the terms of the schemes of allotment and construction of flats/houses by the co-operative societies or other institutions are similar to those mentioned in para 2 of Board's Circular No. 471, dated 15-10-1986 (Sl. No. 428), such cases may also be treated as cases of construction for the purposes of sections 54 and 54F of the Income-tax Act.*

Circular : No. 672, dated 16-12-1993.