

THE HON'BLE SRI JUSTICE V. RAMASUBRAMANIAN

AND

THE HON'BLE SMT. JUSTICE T. RAJANI

WRIT PETITION No.28697 of 2017

ORDER: (*Per VRS,J*)

The petitioner, which is an association of owners of villas in a gated community, has come up with the above writ petition, challenging a show-cause-notice issued by the 1st respondent demanding service tax.

2. Heard Mr. S. Ravindranath, learned counsel for the petitioner. The Assistant Solicitor General takes notice for the respondents.

3. The impugned show-cause-notice is dated 19.04.2016. The petitioner has already submitted its reply on 09.05.2016. So far, no orders have been passed.

4. It appears from the show-cause-notice that the petitioner was registered under the Andhra Pradesh Societies Registration Act, for the maintenance and development of 45 villas in a gated community. The members of the petitioner association are the owners of these villas. In every apartment complex or in every gated community, associations of owners or residents are formed for the purpose of taking care of common maintenance. It is actually a service rendered by the owners to themselves. The same cannot be construed as a

service rendered by an entity to a third party. Therefore, we do not know how service tax liability gets attracted in such cases.

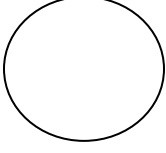
5. However, de hors our reservation about the demand made by the respondents in the show-cause-notice, we deem it fit to direct the respondents to take note of the objections of the petitioner, dated 09.05.2016, to the show-cause-notice and pass orders in accordance with law, taking note of the objections we have made. The respondents shall pass orders within a period of eight (8) weeks from the date of receipt of a copy of this order. Accordingly, the Writ Petition is disposed of. No order as to costs.

Consequently, miscellaneous petitions if any pending in the writ petition shall stand dismissed. No order as to costs.

V. RAMASUBRAMANIAN, J

T. RAJANI, J.

28th August, 2017
cbs



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