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ISSUE - VIII

Income tax relief for home buyers.

Chennai Port - Maduravoyil corridor to be redesigned.

Avail tax rebate up to ₹3.5 lakhs on home loans.



Editor's Note

Dear Patrons,

As we enter 2021, we'd like to wish that the year brings abundant joy, good health and prosperity to everyone! Things seem to be looking up this brand New Year, and we are positive that things are only going to get better.

As for the realty market, it has been recovering well post the lockdown scenario. In fact, as per recent Government reports, this January has seen the highest number of registrations in the last 3 years in Tamil Nadu!

With the interest rates on home loans reaching an all-time low, and the introduction of the tax rebate of upto ₹3.5 lakhs on home loans interests - both buyers and developers have been making the best of the opportunity! However, as demand booms, and the rising prices of raw materials, a surge in real estate prices is expected beyond March 2021. Naturally, now would be the right time for the anyone to take the plunge and invest!

Keeping in mind the surge in demand, we are grateful to announce that we have an exciting range of new projects and plotted developments in OMR, Mogappair, Karapakkam, Thiruvottiyur and Mahalingapuram, gearing up for launch!

We look forward to a safe and fruitful 2021, and we wish the same for everyone!

Warm Regards

Gayithri Punjabi-Mirza
(Vice President)

NEWS

INCOME TAX RELIEF FOR BUYERS OF NEW HOMES OR RESIDENTIAL REAL ESTATE



The finance minister has announced an income tax relief for buyers of new homes or residential real estate (primary purchase) of value up to ₹2 crore. The new acceptable differential between the circle rate and agreement value in real estate sale/purchase for the purpose of income tax, is being hiked from 10% to 20%. A circle rate is the minimum rate per square feet for land or property fixed by the government, which varies from circle to circle or area-wise. This rate is used for calculation of income tax payable on capital gains related to the sale/purchase of houses. It ensures that the taxes are not being evaded by declaring lower prices. However, in case the actual transaction has taken place at

a price lower than the circle rate, then a difference of up to 10% is accepted under section 43CA of the Income Tax Act. Essentially, this allows the buyers/ sellers to pay less tax to the extent that the price of the house is accepted as being below the circle rate. The government has now said that prices of such houses will be allowed to be accepted for tax purposes up to 20% below the circle rate!

Now, both buyers and sellers are protected from the deemed tax which both were liable to pay if the transaction price was lower. However, this benefit (valid till June 30, 2021) is only given to residential properties, not commercial or retail.

CHENNAI PORT - MADURAVOYIL CORRIDOR TO BE REDESIGNED



Union Minister for Road Transport and Highways Nitin Gadkari recently announced that the Chennai Port-Maduravoyal elevated corridor is likely to be re-designed into a double-decker project. The roads will have six to eight lanes as per the new design, which will be of international standards to ensure that the corridor serves the public for at least 20 years. During the concerned meeting, representatives of the State government specifically stressed the need for widening two stretches of NH 45 between Guduvanchery and Chettipunniyam, and from Maduravoyal to Sriperumbudur, into 8 lane roads. The Union Minister also mentioned that the land for the proposed multi-modal logistics park near Chennai has

been provided by the state's Chief Minister. The minister has now requested the State government to expedite the process of land acquisition for the various projects in the State as per the new design.

NOW AVAIL TAX REBATE UP TO ₹3.5 LAKH ON HOME LOANS

The new budget continues to support home owners! The provision of deduction up to ₹1.5 lakh on interest of loans taken for purchase of affordable residential property, has been extended! The rebate has been extended until March 31, 2022 under Section 80EEA. An affordable house refers to property valued up to ₹45 lakh. However, only those who don't own any other properties can avail this rebate on their home loans. This benefit can be availed over the ₹2 lakh deduction a home buyer can avail under Section 24 of I-T Act. Thus, a buyer can now get a rebate of up to ₹3.5 lakhs on their home loans. This basically means that the interest rates on home loans falls to 5.5% from the usual 7%!

The real estate sector is thrilled as this means a rise in demand for affordable housing.

KG SIGNATURE CITY - PROJECT STATUS (FEBRUARY 2021)



Kg Signature City
Actual View



Block View from OSR



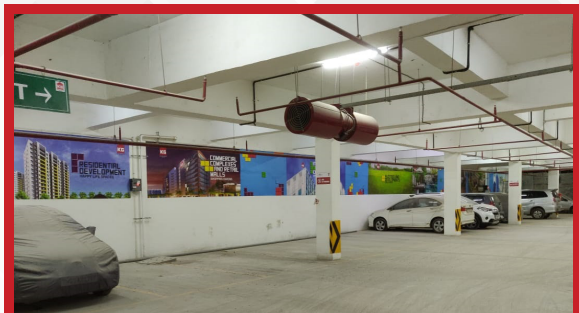
Foot Reflexogy Pathway



OSR View in Front Block F



View Of Club House from OSR



Basement Parking

CC: EC/NORTH-1/112/2018

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