

M/s Solitaire Apartment Owners Association

Authority for Advance Ruling — Karnataka

Order No. KAR.ADRG 16/2026

Dated **16.03.2026**

Q Questions Before the Authority

- Is GST applicable on the collection of common area electricity charges collected as a reimbursement from its members on an actual basis without any additional loading, in addition to the monthly maintenance charged?
- Isn't common area electricity charges exempt from GST for Residents Welfare Association (RWA) since electricity is an exempted supply if the amount of contribution from each of the members is decided on the basis of the actual flat area of each of the members (pro-rata basis), and there is no additional loading of any nature on the actual charges?
- Isn't considering the common area electricity a reimbursement of expenses incurred for the common benefit of the Residents Welfare Association (RWA) and not a supply of goods and services under GST regime?
- Is GST applicable on collection of water charges collected as a reimbursement from its members on an actual basis without any additional loading, in addition to monthly maintenance charged?
- In the above scenario, isn't the Applicant acting as a pure agent?

F Facts

The applicant is an Apartment Association registered under the Karnataka Apartment Owners Act, 1972. They provide maintenance services, water, and electricity to their members, collecting contributions on a monthly or quarterly basis. The applicant sought an advance ruling regarding the GST applicability on the reimbursement of electricity and water charges collected from members.

H Ruling

The Authority for Advance Ruling did not provide a substantive ruling on the merits of the questions presented. The managing committee of the applicant informed the Authority of their intention to withdraw the application. Consequently, the application was disposed of as withdrawn.

R Reasoning

The applicant submitted a letter dated 15.01.2026 to the Authority expressing their intention to withdraw the application for an advance ruling. Under the relevant provisions of the GST Act, the Authority acknowledged this request. As a result, the application was disposed of as withdrawn without addressing the specific legal questions raised.

P Provisions Relied On

Section 98(2) of the CGST Act, 2017

Section 98(2) of the KGST Act, 2017



For the Practitioner

This order provides no legal precedent or guidance on the taxability of common area electricity or water charges collected by Resident Welfare Associations. It serves only as a procedural record of the withdrawal of the application. Practitioners should note that this case does not settle the underlying tax dispute.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [3-aar-solitaire apartment owners association.pdf](#)

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