

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**  
**UN-STARRED QUESTION NO.1676**  
ANSWERED ON- 06/08/2024

SPECIAL TAXATION FOR AGRICULTURAL LAND

1676 SHRI NARAYANASA K. BHANDAGE:

Will the Minister of FINANCE be pleased to state:

(a) whether Government has any Special taxations benefits/exemption for the families who have given their agricultural land for industrial projects under interest of State and nation such as Bagalkot and Vijayapur district farmers have lost their agriculture land for Lal Bahadur Shastri dam (Almatti Dam) constructed on the Krishna river basin; and

(b) whether Government will provide GST exemption and IT benefits to such family members who have lost their agriculture land for the above project?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) & (b): Agricultural land in India is not a capital asset under the Income-tax Act, 1961 ('the Act') except where such land is situated in specified area and so income arising from sale of such lands is not subject to income tax. Further even in specified area income on compulsory acquisition of agricultural land by Government is not subject to income tax.

Sale of land is treated neither as supply of goods nor supply of services for the purposes of GST. Hence, sale of land which results in transfer of title in ownership does not attract any GST.

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