

Sebi seeks tax incentives for REITs

Securities and Exchange Board of India (Sebi) will ask tax authorities to consider incentives for real estate investment trusts, Sebi Chairman U K Sinha said on Monday.

"For REITs to be successful, they have to be tax efficient. There's no question about it," he told reporters on the sidelines of a conference.

"We'll talk to the I-T department to make it happen," he added, referring to the income tax department. Sinha did not provide more details.

The capital markets regulator had issued draft guidelines for launching real estate investment trusts (REITs) in India earlier this month. Investors have said the success of these investments would likely depend to a large extent on the tax incentives provided.

REITs are tax-efficient listed entities that mainly invest in income producing real estate assets from which most of the earnings are distributed to their shareholders.

(Business Standard)