

Form18 – Frequently Asked Questions

Application for notification of affordable housing project as specified business under section 46 of the Act

Name of form as per I.T. Rules, 1962	Form 3CN	Name of form as per I.T. Rules, 2026	18
Corresponding section of I.T. Act, 1961	35AD	Corresponding section of I.T. Act, 2025	46
Corresponding Rule of I.T. Rules, 1962	11-OA	Corresponding Rule of I.T. Rules, 2026	36

1. What is Form 18?

Answer:

Form 18 is prescribed for making an application for notification of an affordable housing project as a specified business under section 46 of the Income-tax Act, 2025, in order to avail the tax benefits provided thereunder.

2. Who is required to file Form 18?

Answer:

Form 18 is required to be filed by an assessee who seeks notification of an affordable housing project, which is carried on or proposed to be carried on by him, as a specified business under section 46 of the Act.

3. Is filing of Form 18 mandatory for claiming benefits under section 46?

Answer:

Yes. Notification of the affordable housing project through Form 18 is mandatory for claiming benefits under section 46 of the Income-tax Act, 2025.

4. What are the main parts of Form 18?

Answer:

Form 18 consists of the following parts:

- Particulars of the assessee,
- Particulars of the specified business,
- Details of the proposed project,
- Fulfilment of prescribed conditions,
- Other project-related details, and
- Declaration by the applicant.

5. What basic details of the assessee are required to be furnished?

Answer:

The assessee is required to furnish details such as:

- Name and address,
- Permanent Account Number (PAN),
- Status and residential status,
- Email address and contact number.

6. What information relating to the specified business is required in Form 18?

Answer:

The applicant is required to provide:

- Name and address of the specified business,
- Name of the affordable housing project,
- Complete address of the project, and
- Whether the project is located in a specified city.

7. What details of the proposed project are required to be furnished?

Answer:

Form 18 requires disclosure of:

- Location of the affordable housing project,

- Total number of units of the project,
- Category-wise rentable area (EWS, LIG, MIG, other residential or commercial),
- Area earmarked for common facilities and services, and
- Total allocable rentable area.

8. What are the conditions to be fulfilled for notification of an affordable housing project?

Answer:

The applicant must ensure that the affordable housing project satisfies the conditions prescribed under rule 36(5).

9. How is compliance with area-related conditions to be reported?

Answer:

Compliance is to be reported by furnishing category-wise details of units and rentable area, and by confirming fulfilment of percentage thresholds prescribed under the rules.

10. What other project-related details are required in Form 18?

Answer:

The applicant is required to furnish details such as:

- Proposed investment,
- Expected and actual date of commencement of the project,
- Existence of any adjacent or nearby land or project, and
- Whether the project is a separate identifiable area.

11. Is it necessary to specify whether the project is independent or part of another project?

Answer:

Yes. The applicant must clearly state whether:

- The project is independent, or

- It is an extension or part of another project.

12. What details regarding ownership or title of land are required?

Answer:

The applicant must specify the nature of title held on the land on which the affordable housing project is situated.

13. Are details of development agreements required to be furnished?

Answer:

Yes. Where the project is developed under any agreement, the applicant must:

- Indicate the existence of such agreement,
- Furnish details of other parties to the agreement, and
- Attach a copy of the agreement.

14. Is a declaration required to be furnished in Form 18?

Answer:

Yes. The applicant is required to furnish a declaration undertaking to continue to operate the affordable housing project during the period for which benefits under section 46 are availed, and certifying the correctness of the information furnished.

15. In what currency should amounts be reported in Form 18?

Answer:

All monetary amounts should be reported in Indian Rupees (₹) unless otherwise specified.

16. Who is authorised to sign and verify Form 18?

Answer:

Form 18 shall be signed and verified by the applicant or an authorised signatory, mentioning the name and designation.

17. Is any information in Form 18 pre-filled?

Answer:

Yes. Certain information in the particulars of the assessee may be pre-filled based on records available with the Income-tax Department. However, the applicant is responsible for ensuring accuracy of all details furnished.

18. What are the consequences of furnishing incorrect information in Form 18?

Answer:

Furnishing incorrect or false information may result in denial or withdrawal of notification under section 46 and may also attract action under the relevant provisions of the Income-tax Act, 2025.

19. Why is Form 18 important?

Answer:

Form 18 enables:

- Statutory notification of affordable housing projects,
- Verification of compliance with prescribed conditions, and
- Grant of tax benefits to eligible projects under section 46, thereby supporting affordable housing objectives.