

LEVY OF PROPERTY TAX - URGENT

MUNICIPAL ADMINISTRATION DEPARTMENT

***Office of the Commissioner & Director of
Municipal Administration, Telangana State, Hyderabad***

CIRCULAR

Roc. No. 226/2014-M1

Dated:15.10.2014

Sub:- Taxes – Levy of Property Tax in merged Gram Panchyats in Municipal Corporations with effect from 01-04-2015 – Certain instructions issued – Regarding.

Ref:- 1. Govt.Memo.No.21775/A2/2012-5, Dated 20.09.2014 of MA & UD Department
2. This office Circular Roc.No.226/2014-M1, Dated 23-9.2014.

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Commissioners of Municipal Corporations where Gram Panchayats are merged recently in their limits are informed that the Government the reference first cited, permitted the Commissioner & Director of Municipal Administration, Telangana State to prepare draft notification for revision of property tax in newly constituted Municipalities / Nagar Panchayats / merged Gram Panchayats with existing ULBs to levy property tax under the provisions of A. P. Municipalities Act, 1965 and Greater Hyderabad Municipal Corporation (GHMC) Act, 1955 and implement w.e.f. 1-4-2015. The following instructions are issued to concerned Municipal Commissioners for levy of property tax in Gram Panchayats merged in Municipal Corporations.

2. Application of the provisions of GHMC Act, 1955 to other Corporations in Telangana. As per Section 14 (1) of the A.P. Municipal Corporations Act, 1994 all the provisions of GHMC Act, 1955 including the provisions relating to the levy and collection of any tax or fee shall apply mutatis-mutandis to other Corporations in Telangana.

3. Assessment of Property Tax: As per Section 212 (1) of the GHMC Act, 1955, the ARV of lands and buildings shall be deemed to be the gross annual rent at which they may reasonably be expected to let from month-to-month or year-to-year with reference to the following factors and such other criteria as may be prescribed:

- a) Location of the building
- b) Type of construction
- c) Plinth area
- d) Age of the building
- e) Nature of usage to which it is put

4. Assessment of Property Tax Rules, 1990: The Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990 provide a detailed procedure for determination of ARV and property tax of buildings and lands in Municipal Corporation. These Rules will apply to other Municipal Corporations also in view of the provisions of the Act mentioned in para - 2.

4-1. Multistoried buildings: As per Rule 7 (2) of Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990 in respect of all multistoried buildings monthly rent shall be fixed separately for the following categories:

- i. Cellar
- ii. Ground and First Floor
- iii. Other Floors

4-2. Non-multistoried buildings: As per the orders issued in G.O.Ms.No.468, M.A, dt.31.7.1993 in respect of non-multistoried buildings without lift facility, MRV per sq. mt. / sq. ft. of plinth area shall be fixed separately for the following categories.

- i. Cellar
- ii. Ground and First Floor
- iii. Second and Third Floor

4-3. RCC Posh Buildings: As per the amendments issued to Assessment of Property Tax Rules in G.O.Ms.No.596, M.A, dt.20.11.2006 a building which satisfies the following criteria shall be classified as RCC posh building.

- a) A building which is having superior sanitary and electrical fittings which lead to higher cost of construction.
- b) A building which is having pre-ponderance of marble flooring, teak wood for doors, windows and cup-boards.

Note: The difference in MRV per sq. mt. / sq. ft. of plinth area between RCC posh building and RCC ordinary building shall be limited to 20% of the MRV per sq. mt. / sq. ft. of plinth area

4-4. Apportionment of Annual Rental Value (ARV): The ARV is apportioned among the building and site in the following proportion. This apportionment is being followed as a general principle in Municipal Corporations over a long time.

- i) Building - 2/3 of ARV
- ii) Site - 1/3 of ARV

4-5. Allowances for repairs or on any other account

The following deductions are allowed from the ARV attributable to the building in lieu of all allowances for repairs or on any other account:

Age of the building	Deduction allowed
25 years and below	10% of ARV
Above 25 years and upto 40 years	20% of ARV
Above 40 years	30% of ARV

4-6. Rebate to owner occupied residential buildings: A rebate of 40% of the ARV is allowed from ARV attributable to the building in respect of the residential buildings occupied by the owner inclusive of the deduction permissible towards the age of the building

5. Method of levy of property tax: The Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990 as amended by G.O. Ms. No. 596 MA dated 20-11-2006 (copy of the Rules enclosed in Annexure – I) provides a detailed new method for levy of property tax in Municipal Corporations as shown hereunder:

- i. Division of merged Gram Panchayats in Municipal Corporation into Zones
- ii. Classification of Buildings based on type of construction into 6 categories
- iii. Nature of use of the buildings: After classification of buildings based on their type of construction, they will be further classified based on the nature of usage into 10 or more categories

- iv. Sample survey of prevailing rental values of 20 percent of rented buildings for fixation of Monthly Rental Value (MRV) per sq.mt of plinth area for various categories of buildings in each zone construction-wise and nature of usage-wise.
- v. Preparation of draft notification in Form – A
- vi. Consultation with State Property Tax Board
- vii. Publication of a draft notification in Form-A providing MRV per sq. mt of plinth area for various categories of the buildings in all zones calling for objections and suggestions from the public
- viii. Consultation with elected representatives
- ix. Consideration of the objections and suggestions received from the public
- x. Publication of a final notification showing monthly rent fixed per sq. mt of plinth area in Form – A.
- xi. Preparation of property tax assessment list of buildings in Municipality in Form – B
- xii. Preparation of Special Notices
- xiii. Issue of Public Notice under Section 226-A (2) of the HMC Act, 1955 as amended by Act No. 15 of 2013 w.e.f. 5-8-2013.
- xiv. Service of Special Notices
- xv. Receipt of compliant petitions
- xvi. Disposal of complaint petitions

6. Division of merged Gram Panchayats in Municipal Corporation into Zones:

6-1. The first step in the levy of property tax is to divide the merged gram panchayat areas into convenient territorial zones for the purpose of fixation of monthly rental value per sq.mt of plinth area. A Team may be constituted with the following Officers to submit proposals for division of merged Gram Panchayat areas into territorial zones for the purpose of fixation of monthly rental value for various categories of buildings.

- i. Deputy Commissioner
- ii. Executive Engineer
- iii. Assistant City Planner

6-2. The following factors shall be kept in view for division of the merged Gram Panchayat areas into territorial zones for fixation of monthly rental value and levy of property tax thereon.

- i. Availability of civic amenities like Water supply, Drainage, Roads, Street lighting.
- ii. Proximity to Educational & Medical Institutions
- iii. Proximity to Markets & Shopping Centres
- iv. Proximity to Parks & Play Grounds
- v. Proximity to Banks, Postal Services and Public Offices
- vi. Proximity to Factories & Industrial Areas and
- vii. Such other relevant factors

6-3. As the rents fetched for buildings on the main roads vary from the rents fetched on internal roads, lanes and by-lanes in a zone, sub-categorization of locations in zones may be provided by the Commissioner wherever necessary within the zone for fixation of separate rents for such buildings as shown hereunder:

- i. Buildings abutting main roads.
- ii. Buildings abutting internal roads.
- iii. Buildings abutting lanes and bylanes.

6-4. Natural boundaries shall be followed while dividing the merged Gram Panchayat areas into territorial zones. Geographical contiguity shall be maintained in the division of merged Gram Panchayat areas into territorial zones.

6-5. Draft notification in Form A with localities and areas included in each zone and sub-zone with door nos. included in each locality shall be submitted along with proposals for division of merged Gram Panchayat areas into zones by the above team to the Commissioner for approval. Further a Town map dividing the merged Gram Panchayat areas into zones shall also be submitted with the proposals.

7. Classification of buildings: After division of merged Gram Panchayat areas into territorial zones, the buildings situated in each zone shall be classified, based on the nature of construction into the following categories.

- i. RCC Posh buildings: RCC buildings with teak wood for doors, windows and cupboards, marble flooring and superior sanitary fittings, electrical fittings and attached bathrooms, which increase the cost of construction.
- ii. RCC Ordinary buildings: RCC buildings with ordinary type of wood, flooring and sanitary fittings.
- iii. Madras Terraced or Jack Arch roofed or stone slabs or slate roofed buildings.
- iv. Mangalore tiled roofed or asbestos roofed or G.I. roofed buildings.
- v. Country tiled buildings.
- vi. Huts.
- vii. Any other building not covered above.
- viii.

8. Classification of building based on nature of usage: After classification of buildings based on their type of construction, they shall be further classified into the following categories mentioned into Rule 6 of the Rules based on the nature of usage:

- i. Residential;
- ii. Shops, shopping complexes;
- iii. Public use, i.e., office complexes, Public and Private offices, Hospitals and Nursing Homes, Banks, Educational Institutions;
- iv. Commercial purposes, i.e. Hotels, Lodges, Restaurants, Godowns and other business Establishments;
- v. Industrial purposes i.e., Factories Mills, Workshops and other Industries;
- vi. Cinema theatres or Places of Public Entertainment;

The Commissioner may add any other use, not specified above depending upon local circumstances and situation as found necessary and incorporate the same in Form 'A' also suitably For example, separate usage may be provided depending on local circumstances for the following categories:

- i. ATMS
 - ii. Clinics, dispensaries, diagnostic centres
 - iii. Star hotels
 - iv. Bar and restaurants
 - v. Petrol bunks
 - vi. Cellular towers
 - vii. Multiplex and similar theatres
 - viii. A/c Marriage halls and function halls
- Non-A/c Marriage halls and function halls

9. Sample survey of Data relating to prevailing rental values of 20% of rented buildings of all categories:

9-1. After finalization of the division of merged Gram Panchayat areas into taxation zones and sub-zones, a survey has to be conducted to gather information relating to the prevailing rental values of 20% of rented buildings of various categories as per nature of construction-wise and nature of usage-wise in each taxation zone in a format prescribed in Form – D appended to the Rules.

9-2. All buildings will be classified into 6 categories based on the nature of construction. Further, buildings will be classified into 10 categories (drawn from 6 broad categories) or more based on nature of usage. Thus, there would be 60 categories of buildings or more in each zone. There is a further possibility of more categories of buildings if new usages of buildings are added by the Commissioner.

9-3. Hence, information has to be gathered for 60 categories (or more) of buildings in each zone to a tune of 20% of rented buildings. This information is vital for fixation of MRV per sq. mt. of plinth area in each zone. Hence information has to be gathered in a true and diligent manner by contacting the tenants of 20% of rented buildings.

9-4. Method of conducting survey:

- i. Bill Collectors and Revenue Inspectors may be entrusted with the task of conducting a survey of gathering prevailing rental values of 20% of rented buildings of various categories.
- ii. As a first step, the Bill Collectors / Revenue Inspectors shall introduce themselves to the tenants of buildings and explain the purpose of their visit as mentioned hereunder.
- iii. “ _____ Municipal Corporation has initiated the process of levying property tax in merged Gram Panchayat areas to come into force from _____ (date to be specified). For this purpose a sample survey is conducted to gather information relating to prevailing rental values of 20% of rented buildings as per nature of construction and usage. Your cooperation is solicited to furnish the required information for the survey”.
- iv. As a second step, a leaflet (in English and Telugu) has to be handed over to the tenant of the building about the purpose of the survey. A leaf-let is prepared explaining the levy of property tax and the purpose of survey as shown in Annexure - II
- v. As a third step, the Bill Collectors / Revenue Inspectors shall take measurements (outer) of length and breadth of the building for arriving at plinth area. Further they shall gather the information relating to prevailing rental value of the building for which plinth area has been measured.
- vi. As a fourth step they shall gather information relating to plinth area and prevailing rental values of various categories of 20% of rented buildings in a zone as per nature of construction and as per usage to the extent of their availability in the zone/sub-zone allotted to them.

9-5. Method of Filling up survey Format: The method of filling up various columns in Form – D appended to the Rules i.e. survey format is detailed hereunder:

Col. No.	Item	Method of filling up the column
	Property Tax Zone No:	As per information given in draft notification in Form A
	Sub-Zone No:	
	Nature of Construction	This information will be filled after inspection
	Type of Usage	This information will be filled after inspection
1	Sl.No	

2	Door No	This column will be filled as per existing municipal records
3	Property Tax per annum	This column will be filled as per existing municipal records
4	Gross MRV	This column will be filled as per existing municipal records
5	Name of the Tenant	This column has to be filled up after conducting proper enquiry
6	Cellar/ Ground Floor/ 1 st Floor/ Other Floors	After inspection of the building, this column has to be filled up
7	Plinth Area	<p>Plinth area means: “Area arrived at by multiplying the length of the building with breadth as measured outside the basement level” as per Rule 2 (iv) of Assessment of Taxes Rules, 1990</p> <p>Plinth area of a building includes plinth area of cellars, ground floor and all other floors above the ground floor of the building. Open balconies, open staircase, open portico without support are not to be included in plinth area.</p> <p>Plinth area has to be taken separately in the following cases:</p> <ol style="list-style-type: none"> 1. if the type of construction is more than one category. 2. if the building is put to different uses. 3. If the building is constructed in different years 4. In respect of multistoried buildings, plinth area has to be taken floor-wise.
8.	Prevailing MRV	After inspection of the building, the column has to be filled up after ascertaining rent paid from the tenant.
9.	Remarks	Any other relevant information may be noted here.

9-6. Test Checking: Revenue Officer / Deputy Commissioner / Commissioner shall take all steps to ensure that survey is conducted in a proper manner and information is gathered in a true and diligent manner as this information is vital for fixation of MRV per sq. mt of plinth area. In addition, they shall conduct a test check of 10% of the buildings surveyed and record their findings thereon in the survey format.

9-7. Method of arriving at rental data: After completion of survey, plinth area for buildings of same construction and same usage (category-wise) shall be got totaled for each zone / sub-zone. Similarly, the prevailing monthly rent of these buildings also shall be totaled. Later, the monthly rent per Sq. Mt. of plinth area for buildings of same construction and same usage shall be arrived by dividing total monthly rent by total plinth area. Thus monthly rent per sq. Mt. of plinth area for all categories of buildings construction-wise and usage-wise shall be arrived for each zone / sub-zone.

10 Preparation of draft notification in Form – A: After completion of the above exercise, the Commissioner shall propose the monthly rent for all categories of buildings in all zones based on the type of construction and nature of use in Form A appended to Assessment of Property Tax Rules.

The Commissioner shall prepare a draft notification in Form A containing division of merged Gram Panchayat areas into zones and localities / areas included in each zone with particulars of Door. Nos. and showing monthly rent proposed for sq.mt of plinth area for all categories of buildings based on type of construction and nature of use in all zones.

11. Consultation with A.P. State Property Tax Board:

11-1. In G.O. Ms. No. 107 dated 26-3-2010 orders were issued constituting Andhra Pradesh State Property Tax Board (hereinafter called Board) with immediate effect to provide assistance and technical guidance to all Municipalities and Municipal Corporations in the State for proper assessment and revision of property tax. Further, in Memo No. 23510/TC.1/2010-1 dated 26-3-2011 Government have issued orders stating that Commissioner & Director of Municipal Administration (C&DMA) is appointed to discharge the functions of the Chairman, Andhra Pradesh State Property Tax Board till a regular Chairman is appointed.

11-2. Municipal Laws in A.P. have been amended by Act No. 6 of 2012 providing for constitution of A.P. State Property Tax Board, composition of the Board, qualifications for the Chairperson and members, staff of the Board. functions of the Board, powers of the Board and other matters. Section 85-I (1) (ii) of Andhra Pradesh Municipalities Act, 1965 as amended by Act No. 6 of 2012 provides as follows:

“the Municipal Commissioner shall consult the Board before issue of draft notification fixing monthly rent proposed per square meter of plinth area for assessment or revision of property tax. The Board shall study the draft notification and make a comparative study of the monthly rental values proposed by other Municipalities in the District in this regard and offer its views in the matter. The Municipal Commissioner shall give due consideration to the views offered by the Board before adopting final notification showing monthly rent per sq. mt. of plinth area as prescribed”.

11-3. As per Section 197-A of GHMC Act, 1955 as amended by Act No. 6 of 2012 the provisions relating to State Property Tax Board constituted under sub-section (1) of Section 85 of A.P. Municipalities Act, 1965 shall *mutatis mutandis* applicable to GHMC and other Corporations. Act No. 6 of 2012 has come into force w.e.f. 12-10-2012 as per notification issued in G.O. Ms. No. 387 dated 10-10-2012 of MA & UD Department.

11-4. The Municipal Commissioner shall consult the Board before issue of draft notification in Form – A by sending a copy of draft notification to the Board and seek their views in the matter. The Municipal Commissioner shall give due consideration to the views offered by the Board before issue of draft notification in Form – A.

12. Publication of draft notification in Form – A: After receipt of the views of the Board on the draft notification, the Commissioner shall give due consideration to the views of the Board and finalize the draft notification in Form – A. After finalization of draft notification by the Commissioner, a gist of notification it shall be published in a local newspaper having circulation in the District and complete draft notification shall be published in the District Gazette calling for objections or suggestions from the public on the said notification, regarding division of merged Gram Panchayat areas into zones and the monthly rents proposed per sq.mt of plinth area for various categories of buildings so as to reach the Commissioner within 15 days from the date of publication of the notification in the District Gazette.

13. Consultation with Elected Representatives: After expiry of 15 days from the publication of the draft notification in the District Gazette, the objections and suggestions received from the public shall be tabulated by the Commissioner. Further, the Commissioner has to hold an informal meeting with the Mayor and Members of the Corporation including ex-officio Members and Co-option Members requesting their suggestions on the draft notification duly furnishing the suggestions received from the public on the draft notification.

14. Consideration of objections and suggestions: After completion of the above exercise, the Commissioner shall consider the objections and suggestions received in response to the said notification and the suggestions received in the informal meeting with the elected representatives and record his decision on the said suggestions on the tabulated statement prepared earlier. Further the Commissioner shall give due consideration to the views offered by the Board before finalizing the final notification. Thereupon, the Commissioner may revise the zones and the monthly rental value provisionally fixed for various categories of buildings wherever found necessary.

15. Preparation and publication of final notification in Form A: Thereupon, the Commissioner shall prepare a final notification showing the monthly rent fixed for Sq. Mt. of plinth area in Form – 'A' appended to Assessment of Property Tax Rules, 1990 and publish it in the District Gazette and the gist of final notification in the local Newspaper having circulation in the District for information of the public. This notification shows the division of merged Gram Panchayat areas into zones with the localities included in each zone with door nos. and monthly rent fixed for each category of building based on construction and usage for all the zones. This notification will be in force till a fresh notification is issued at the time of general revision of property tax.

16. Preparation of Property Tax Assessment List of Buildings in Form B

16-1. After publication of Form A notification showing monthly rent fixed per Sq. Mt. of plinth area for buildings zone-wise, construction-wise and usage-wise, the Commissioner shall take action to prepare Property Tax Assessment list of Buildings in Form B. Teams may generally be constituted with the following officers to the extent necessary for preparation of assessment list of buildings in Form B:

- i. Revenue Inspectors
- ii. Assistant Engineers
- iii. Town Planning Supervisors
- iv. Town Planning Building Overseas
- v. Senior Assistants
- vi. Any other suitable staff

The teams shall inspect the buildings with the assistance of the Bill Collector concerned and fill up the columns in property tax assessment list of buildings except columns 27 & 28 which shall be filled by the Commissioner.

16-2. Property Tax Assessment list of Buildings (Form B): Property Tax Assessment list of Buildings is the basis for assessment of Property Tax on Buildings. Hence proper filling up of various columns is of utmost importance in the assessment of property tax. The method of filling up various columns is provided hereunder:

Col. No.	Item	Method of filling up the Column
1	Door No.	This column will be filled up from the existing Property Tax Demand Register.

2	Name and address of the owner	-do-
3	No. in the Assessment Register	-do-
4	ARV of the Building	-do-
5	ARV of the site	-do-
6	Total property tax	-do-
7	Library Cess	-do-
8	Zone no.	This item will be filled up Form - A notification showing monthly rent fixed per sq.mt. / sq. ft of plinth area.
9	Name of the locality	-do-
10	Year of completion and age of the building.	Information shall be ascertained orally from the owner of the building. In case of doubt, owner may be asked to produce evidence.
	Description of each storey of the building.	
11	Nature and type of roofing.	After inspection of the building, this column has to be filled up. If there are different roofings, they have to be recorded separately.
12	Nature and type of flooring.	-do-
13	Nature and type of wood.	-do-
14	Nature and type of walls.	-do-
	Amenities provided in the building	
15	Electricity	-do-
16	Water tap/well	-do-
17	Whether connected with Municipal Drainage	-do-
18	Attached bathroom	-do-
19	Total adjacent premises in sq.mts.	First, total area of the site including building shall be measured. Plinth area of ground floor shall be deducted from the total area of the site to get extent of adjacent premises.
20	Area of appurtenant land allowed section 212 of HMC Act	Three times plinth area of the building including built up area shall be allowed as area of appurtenant land. If plinth area of G. floor is 100 sq.m adjacent premises area would be 300 sq.m.
21	Area to be taxed under VLT with assessment no.	As per section 212 (2) of GHMC Act, 1955 vacant land not exceeding three times plinth area of building including its site or vacant land to the extent of 1,000 sq. mts. whichever is less shall be deemed to be adjacent premises occupied as an appurtenant to the building and assessed to tax as per section 212 (1) of GHMC Act, 1955. If appurtenant land is more than three times of the plinth area of the building including its built up site, then the excess land will be treated as vacant land and taxed separately. For example if the total area of the site is 500 sq.m. and plinth area of G. floor is 100 sq.m permissible appurtenant land is 300 sq.mts. Balance 200 sq. m. shall be taxed separately as if it is vacant land.

22	Name and occupation of the occupant (owner or tenant)	This column has to be filled up after conducting proper enquiry. In case of doubt, the occupant may be asked to produce evidence like Ration Card, Bank Pass Book, Pass Port, Voter Photo Identity Card etc.
23	Type of construction	After inspection of the building this column has to be filled up.
24	Plinth area of building per each type of construction in sq.mt. / sq.ft.	Plinth area has to be taken separately in the following cases. i) if the nature of construction is more than one type ii) if the building is constructed in different years. iii) if the building is partly owner occupied and partly let out. iv) if the building is put to different uses i.e. Residential, Office, Shop etc.
25	Nature of use of the building	After inspection of the building this column has to be filled up. If the building is put to more than one use, plinth area has to be taken separately for each use.
26	Monthly rent notified per sq. mt. / sq. ft. of plinth area.	This column has to be filled up as seen from the notification in Form 'A'.
27	Monthly Rental Value fixed	Plinth area has to be multiplied with MRV notified per sq. mt. / sq. ft. of plinth area.
28	Reasons for increase / decrease	Self contained reasons shall be recorded for increase/decrease of property tax.
29	Assessment no. allotted in the new register.	Assessment nos. will be allotted ward-wise. For example if there are 2600 buildings in ward no.1, assessment nos. will be allotted upto 2600 and 400 assessment nos. will be reserved for new assessments. Assessment no. of ward no. 2 starts from 3001.
30	Gross ARV of the building	Monthly Rental Value between building and land will be apportioned in the ratio of 2:1. For example if the MRV of the property is Rs.3000/- MRV of Building would be Rs.2,000/- and that of land Rs.1,000/- multiply MRV of building with (12) to arrive ARV.
31	Age of the building	This will be filled up from column (10)
32	Allowances for repairs / depreciation	Allowances have to be given based on age of the building and nature of occupation i.e. owner occupied or rented.
33	Annual Rental Value of the building (ARV)	Column 30 minus column 32.
34	Annual Rental Value of the premises	One-third of the total Annual Rental Value of the property.
35	Total Annual Rental Value	Col. 33 plus col. 34
	Revised assessment as fixed by the Commissioner	
36	General Tax	Municipal Corporations have notified rate of property tax separately for residential buildings and Non-residential buildings.
37	Conservancy Tax	
38	Lighting Tax	
39	Drainage Tax	
40	Total Property Tax	

41	Library Cess	Library Cess is levied at 8% of property tax.
42	Total property tax and library cess	Col. 40 plus col. 41
43	Initials of Commissioner	This has to be filled up the Commissioner.
44	No. of special notice	Every special notice is given a no. This no. has to be noted.
45	Date of service of special notice	This is important. Date of service of special notice has to be noted. This date is required to determine whether Complaint Petition is received within the time.
46	Date of receipt of Complaint Petition (CP)	Complaint petitions will be considered if they reach Municipal Office within 15 days from the date of service of special notice.
47	No. of Complaint Petition	All C.P.s shall be numbered consecutively.
48	Orders of the Commissioner	Self-contained orders have to be passed by the Commissioner after disposal of C.P. Orders in brief have to be recorded in this column.
	Assessment fixed on Complaint Petition	
49	General Tax	These columns have to be filled up as in the case of cols. 36 to 40.
50	Conservancy tax	
51	Lighting Tax	
52	Drainage Tax	
53	Total property tax	
54	Library Cess	These col. have to be filled just like cols. 41 and 42
55	Total property tax and library cess	
56.	Initials of Commissioner	This has to be filled up Commissioner.

16-3. Test Check of Property Taxes Assessment List of Buildings.

The following officers may test check the preparation of Assessment List of Buildings to a tune of 10% of the assessments allotted to them.

- i. Commissioner
- ii. Deputy Commissioner
- iii. Revenue Officer
- iv. Assistant City Planner
- v. Deputy Executive Engineer
- vi. Executive Engineer

16-4. Calculation of Property Tax: As soon as information is gathered in Property tax Assessment List of Buildings in one book, the Commissioner shall fill up the columns 27 & 28 in the said list duly fixing monthly rental value and record reasons for increase of Property Tax for each assessment. Self contained reasons shall be recorded for increase of property tax. As soon as columns 27 & 28 are filled up in one book, the concerned assistants in revenue section shall calculate the property tax. This work relating to fixation of MRV and recording reasons and calculation of property tax shall be taken up as soon as information is gathered in one assessment book without waiting for completion of the entire work in all assessment books.

17. Approved Assessment List: The Commissioner shall sign the assessment list for each ward as soon as it is completed and shall then certify the correctness of the total amount of the assessment or revised assessment for such ward.

18. Preparation of Special Notice: As soon as assessment is fixed by the Commissioner in the assessment list, a special notice of property tax for levy of property tax shall be prepared in the format prescribed in the Rules duly filling all columns in the special notice.

19. Issuance of public notice: As per Section 226-A (2) inserted by Act No. 15 of 2013, whenever preparation of new assessment book has been completed, the Commissioner shall give a public notice stating the places where the new assessment books may be inspected and that complaint petitions, if any, will be considered if they reach Municipal Corporation office within fifteen days from the date of publication of such notice. Such notice shall be published in the District Gazette and in the local daily news paper and also by posting play cards in conspicuous places throughout the Corporation.

20. Date of coming into force of the property tax: As per Section 226-A (3) of GHMC Act, 1955 “the new assessment book shall be deemed to have taken effect on the first day of the half year following that in which the public notice is published or in case where a special notice is to be served on the owner of the property on the first day of the half year following that in which such special notice is served on the owner of the property.

21. Service of special notice: In every case where property tax is levied for the first time or where there is increase in property tax of any premises, the Commissioner shall arrange for service of special notice to the owner or occupier of the said premises informing that any complaint petition against the same will be received in his office at any time within the fifteen days from the service of special notice.

22. Method of service of special notice:

22-1. As per Section 630 of HMC Act service of the notice may be effected.—

- i. By giving to the owner of the building duly obtaining acknowledgement on the office copy of the special notice with the date.
- ii. Whenever the owner is not found in the building by giving the notice to some adult member or servant of his family. In these cases, the name of the person on whom notice is served shall be got written in capital letters underneath the signature duly noting down the relationship of the recipient to the owner of the building. Date of service always shall be noted in the office copy of the special notice.
- iii. If the owner does not reside in Municipal Corporation and his address elsewhere is known to the Commissioner by sending the same to him by registered post.
- iv. If none of the means aforesaid be available, by fixing the same in some conspicuous part of such place of abode or business.

22-2. Filing of Complaint Petitions: The owners of the properties are entitled to file complaint petitions in Municipal Corporation office within the fifteen days from the date of service of special notice.

22-3. Register of Complaint Petitions

22-3-1. As soon as a complaint petition is received in municipal Corporation from a tax payer against the property tax assessment fixed by the Commissioner, the complaint petition shall be entered in a Register of Complaint Petitions. A serial number shall be given to each complaint petition and all columns in the register shall be filled up.

22-3-2. A docket sheet shall be prepared for every complaint petition with the following information.

- | | | |
|--------|--|---|
| i. | Serial Number | - |
| ii. | Name of the owner | - |
| iii. | Door No. | - |
| iv. | Locality | - |
| v. | Zone Number | - |
| vi. | Type of construction | - |
| vii. | Nature of usage | - |
| viii. | Plinth area in Sq. Mts. | - |
| ix. | Monthly rent value fixed per sq. mt. / sq. ft. of
plinth area as per Form A notification | - |
| x. | Monthly rental value fixed on the property | - |
| xi. | Half-yearly property tax | - |
| xii. | Date of service of special notice | - |
| xiii. | Date of receipt of complaint petition | - |
| xiv. | Whether the complaint petition has been received
within 15 days from the date of service of
special notice | - |
| xv. | Date of hearing | - |
| xvi. | Orders of the Commissioner in brief | - |
| xvii. | Property tax fixed after disposal of complaint petition | - |
| xviii. | Initials of the Commissioner | - |

22-4. Disposal of Complaint Petitions

22-4-1. Hearing of the Complaint Petition: The Commissioner shall give an opportunity to the petitioner to appear either in person or by an authorized agent to represent his case in respect of complaint petition at the Municipal Corporation office. For this purpose, hearing notice shall be served on the petitioner informing the date and time of hearing. A reasonable time of one week to ten days shall be given to the petitioner in the hearing notice to appear in the municipal office. At the time of hearing, the Commissioner shall record the statement of the petitioner regarding the submissions made by him for reduction of property tax. After recording the statement of the petitioner by the Commissioner, signature of the petitioner shall be obtained on the statement.

22-4-2. Orders of the Commissioner on the Complaint Petition: After completing the hearing of the complaint petition, the Commissioner has to pass a speaking order. In simple terms, a speaking order is an order that speaks for itself. The order should contain all the details of the issue, pleadings of the petitioner, clear findings of the competent authority on the issue and should appear as a reasoned order.

The speaking order, among others, may be passed in the following manner:

- i. Details of the building on which property tax is levied
- ii. Grounds stated by the petitioner in the complaint petition for reduction of property tax
- iii. Submissions made by the petitioner at the time of hearing as recorded in the statement of the petitioner.
- iv. Detailed reasons for confirmation or reduction property tax
- v. Direction to the petitioner to pay the property tax fixed on the complaint petition within 15 days from the date o
- vi. f receipt of orders from the Commissioner

- vii. After disposal of the complaint petition, necessary entries shall be made in the Register of Complaint Petitions.
- viii. While detailed orders are recorded in the docket sheet of CP, brief orders may be recorded in the Register of CP and in the Property Tax Assessment List
- ix. The tax after disposal of compliant petition has to be entered in the Demand Register

22-4-3. Model speaking order: A model speaking order on disposal of Revision Petition for conformation / reduction of property tax in Municipalities is attached in Annexure – III for guidance. It may be adopted with suitable modifications in Municipal Corporations..

22-4-4. Appeals against valuation: As per Section 282 of GHMC Act, 1955 Appeals against annual rental value or tax fixed by the Commissioner shall be filed in the court of the Judge. No appeals shall be heard or disposed unless the following is fulfilled.

- i. Appeal shall be filed within fifteen days from the date of receipt of orders from the Commission on the complaint petition.
- ii. Property tax claimed from the appellant has been deposited by him with the Commissioner

23. Levy of Property Tax on Lands in Municipal Corporations

23-1. As per Section 199 (3) of GHMC Act, 1955 amended by Act. No. 15 of 2013 w.e.f. 5-8-2013 “the Corporation shall in the case of lands which are not used exclusively for agricultural purposes and are not occupied by, or adjacent and appurtenant to building, levy the taxes specified in sub-section (1), at half percent (0.50 percent) of the estimated capital value of the lands, which shall be determined in such manner as may be prescribed”. Thus, property tax can be levied on vacant lands in Municipal Corporations.

23-2. Further, Section 212(2) of the GHMC Act, 1955 stipulates that any vacant land not exceeding three times the plinth area of a building or a vacant land to the extent of 1000 sq. mts. whichever is less shall be deemed as adjacent premises to the building and assessed to tax as per Section 212 of the Act and the area, if any, in excess of the said limit shall be deemed to be land not appurtenant to such building and the tax shall be levied thereon at 0.50% of the estimated capital value of the land.

23-3. Basis for levy of Vacant Land Tax: Rule 8 of HMC Assessment of Property Tax Rules, 1990 stipulates that for the purpose of assessing the vacant land, the estimated capital value of the land shall be the market value fixed by the Registration Department for the purpose of the Registration.

23-4. Rate of Vacant Land Tax: Vacant land tax shall be levied at the rate of 0.50% of the estimated capital value of the land.

24. Method of assessment of property tax on lands: The property tax assessment list of lands shall be prepared in Form-C. The procedure prescribed for preparation of assessment list of buildings in Form-B, preparation and service of special notices shall be followed subject to provision contained paras 22-1 to 22-3 in the case of levy of property tax on lands

25. Timeline for completion of levy of property tax: A detailed time line for completion of levy of property tax in all respects before 31.03.2015 is provided in Annexure-IV. All concerned Municipal Commissioners are instructed to ensure that the levy of property tax is completed in a proper manner before 31.03.2015. The Regional Directors of Municipal Administration are instructed to inspect the concerned Municipal Corporations frequently and ensure that the levy of property tax is implemented as per the provisions of GHMC Act and Assessment of Property Tax Rules issued there under.

26. Progress Report: A weekly progress report is prescribed on levy of property tax as shown in Annexure-V. The Municipal Commissioners are instructed to submit the weekly progress report to RDMA's by e-mail / Fax on every Monday for the preceding week. The RDMA's are requested to consolidate the progress report and submit it to this office on every Wednesday for the preceding week.

27. Training: Training will be conducted to concerned Municipal Commissioners and RDMA's on levy of Property Tax on 18.10.2014 at 02.30 PM at Conference hall of CDMA office, T.S., Hyderabad. Municipal Commissioners and RDMA's concerned are requested to attend the Training Programme without fail.

Sd/-B.JANARDHAN REDDY
COMMISSIONER & DIRECTOR

Encl:-

- 1) Annexure – I : The Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990"
- 2) Annexure – II : Appeal to tenants relating to survey of rented buildings
- 3) Annexure – III : Model Speaking order on disposal of revision petitions
- 4) Annexure – IV : Time line for completion of levy of property tax
- 5) Annexure-V : Progress report on levy of property tax

To

Commissioners of Municipal Corporations, Khammam and Warangal.

The Regional Director-cum-Appellate Commissioners of Municipal Administration, Warangal and Hyderabad.


for Commissioner & Director

Annexure – I

Copy of

“The Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990” issued in G.O. Ms. No.439 dated 29-10-1990 of MA & UD (TC.1) Department with amendments

(See Chapter – 11 & Para – 11.6)

1. Short title : These Rules may be called the Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990
2. Definitions : In these rules:
 - i. ‘Act’ means the HMC Act, 1955
 - ii. ‘Form’ means the form appended to the rules;
 - iii. ‘Zone’ means the area as notified in Form ‘A’;
 - iv. ‘Plinth area of a building’ means the area arrived at by multiplying the length of the building with the breadth as measured outside the basement level;
 - v. ‘Total plinth area of the building’ includes the plinth area of all cellars, ground floor and all the floors above the ground floor of a building;
 - vi. ‘Houses constructed for Urban Poor’ means houses constructed through agencies of State Government under Weaker Section Housing Scheme;
 - vii. ‘Multi-Storied Building’ means a building with more than ground and three floors; and
 - viii. ‘Rent component of Cost of living Index’ means Rent component of cost of living index as notified by the Director of Economics and Statistics from time to time.
3. **Annual Rental Value:**
 - (1) The Annual Rental Value of lands and buildings shall be deemed to be the gross annual rent at which they may reasonably be expected to be let from month to month or from year to year with reference to its location, type of construction, plinth area, age of the building, nature of use to which it is put and such other criteria as may be specified.
 - ¹ [(2) The Commissioner, shall gather the information relating to the prevailing rental value of 20% of rented buildings of all categories in Form “D” . as specified in rules 4 to 6 so as to arrive at the rate of rent per month or per year per square meter of plinth area and then issue a gist of draft notification in a daily news paper having circulation in the District and complete draft notification in the District Gazette calling for objections and suggestions from the public so as to reach the commissioner within 15 days from the date of publication of the draft notification, regarding the division of the Corporation into zones and monthly or year rental values per square meter of plinth area in each zone.

¹ Sub-rule 2 is substituted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

The Commissioner should consider the objections and suggestion if any, received in response to the said notification and revise the zones and the monthly or yearly rent in Form 'A' and publish a gist of final notification in a local news paper having circulation the district and full final notification in the district Gazette for information of the public].

- ² [(3) The Commissioner shall make the District Gazette available to the public at the main office of the Municipal Corporation, Circle Offices, e-seva Centres on payment of reasonable cost from the date of publication of the gist of the draft notification / final notification].

4. Division of Municipal Corporation to Zones :

The entire Municipal Corporation area shall be divided into convenient territorial zones for the purpose of assessment of taxes based on the following factors, namely :

- a) Civic amenities like water supply, street lighting, Roads and drains;
- b) Markets and shopping centers;
- c) Educational Institutions;
- d) Banks, Postal Services, Public Offices;
- e) Medical Institutions;
- f) Factories and Industries; and
- g) Such other relevant factors.

5. Classification of Buildings

After the division of the Corporation into territorial zones, the buildings situated in each zone shall be classified as follows based on its nature of construction;

- a) RCC posh buildings : RCC buildings with superior quality wood, better type of flooring and sanitary fittings and attached bathrooms;
- b) RCC ordinary buildings : RCC buildings with ordinary type of wood, ordinary flooring and sanitary fittings;
- c) Madras terraced or Jackarch roofed or stone slabs or slates roofed buildings;
- d) Mangalore tiled roofed or Asbestos roofed or G.I. roofed buildings;
- e) Country titled buildings;
- f) Huts

- ³ [g) A building which satisfies the following criteria shall be classified as RCC posh building.

- a) A building which is having superior sanitary and electrical fittings which lead to higher cost of construction
- b) A building which is having pre-ponderance of marble flooring teak wood for doors, windows and cup-boards

Note : The difference in monthly rental value per Sq. Mt. of plinth area between RCC posh building and RCC ordinary building shall be limited to 20% of the monthly rental value per Sq. M. of plinth area].

² Sub-rule (3) added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

³ Clause (g) is added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

6. Nature of use of the Buildings :

After classification of the buildings based on the type of construction, they shall be further classified into the following categories taking into consideration the nature of use of the buildings;

- a) Residential;
- b) Shops, shopping complexes;
- c) Public use, i.e., office complexes, Public and Private offices, Hospitals and Nursing Homes, Banks, Educational Institutions;
- d) Commercial purposes, i.e. Hotels, Lodges, Restaurants, Godowns and other business Establishments;
- e) Industrial purposes i.e., Factories Mills, Workshops and other Industries;
- f) Cinema theatres or Places of Public Entertainment;

⁴ [The Commissioner may add any other use, not specified above depending upon local circumstances and situation as found necessary and incorporate the same in Form 'A' also suitably].

7. Fixation of monthly or yearly rent :

⁵ [(1) All buildings located in a zone shall be classified based on types of construction and nature of use. The Commissioner shall gather the information relating to the prevailing rental value of the 20 percent of the rented buildings of various categories in a zone and arrive at average monthly or yearly rent fixable for each category of building per Sq. mt. of plinth area].

[(I-A) The Commissioner may provide for sub-categorization of localities in a zone for fixing separate rents for such buildings.

- (i) Buildings abutting main roads;
- (ii) Buildings abutting internal roads;
- (iii) Buildings abutting lanes and by-lanes].

⁶[(2) The commissioner shall then provisionally fix monthly or yearly rent for each category in a zone for square meter of plinth area and notify the rate of monthly or yearly rental so fixed in Form – A for adopting the said rates for fixation of monthly or yearly rental of the buildings in a zone and publish the same in the District Gazette and gist of draft notification in Form – A in a local newspaper having circulation in the district calling for objections or suggestions from the public for such adoption regarding the division of Municipal Corporation into zones. The notification shall contain the monthly or yearly rental value of the buildings in a zone together with the localities / areas with particulars of door numbers included in the zone. The objections or suggestions, if any, on the said notification shall have to be sent to the Commissioner within 15 days from the date of its publication. The Commissioner shall consider the objections and suggestions, if any, received

⁴ Added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

⁵ Substituted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

⁶ Substituted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

in response to the said notification and revise the zones and the monthly or yearly rental values wherever necessary. There upon the Commissioner shall publish a final notification in Form – A in the District Gazette and gist of final notification in Form – A in a local newspaper having circulation in the District for information of the public].

- (3) The Commissioner then shall fix the monthly or yearly rent for each category in a zone per square meter ⁷ [or sq. ft.] of plinth area and notify the rate of monthly or yearly rent so fixed in Form ‘A’ for adopting the said rates fixation of monthly or yearly rental value of buildings in a zone and for information of the public. The Commissioner shall issue a notification in Form ‘A’ furnishing the localities, areas included in the zone and particulars of door numbers included in the zone. The notification in Form ‘A’ shall be published in local newspapers having circulation in the area for information of the public.

⁸[(3-A) The Commissioner shall make the District Gazette available to the public at the main office of the Municipal Corporation, Circle Offices, e-Seva Centres on payment of reasonable cost from the date of publication of the gist of the draft notification / final notification]”.

- (4) The Commissioner shall obtain information of all buildings in respect of plinth area, type of construction, age of building, nature of use and fix monthly or yearly rental value as per the rate of monthly rents notified for each category of a building in a zone. The property tax assessment list of buildings shall be prepared in Form ‘B’ ⁹ [and the Commissioner may add columns in Form ‘B’ wherever found necessary].
- (5) The rates of monthly or yearly rents for each category of building in a zone shall be revised once in 5 years taking into consideration the rent component of cost of living index prevailing at the time of preparation of new assessment books. In respect of value of the lands on which buildings constructed for the purposes of choultries, hotels, lodges and cinema theatres whose value increases and the income on the property does not increase, the average rental value shall be fixed with reference to the income of the property.
- (6) In the case of items wherein varying rates are provided, the Municipal Corporation shall adopt the rates found suitable for the particular municipal area after taking the local conditions into account. The Commissioner may also increase the rates so adopted by the Municipal Corporation by not exceeding 10% over the rates aforesaid for superior quality of better type of flooring and fine plastering depending upon the workmanship and cost involved. Where the entire roof is not of the same description appropriate rates shall be adopted for the different types of roof for arriving at the total cost of erection. The rate of cost per square metre plinth area shall be determined in consultation with the concerned Local Engineer belonging to Roads and Buildings Department in consonance with the price levels prevailing at the time of such revision.

⁷ Inserted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

⁸ Inserted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

⁹ Added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

- (7) In the case of buildings which are partly occupied by the owner and partly let out on rent, property tax shall be levied as per Rules 6 and 3 on owner occupied portions and rented portions respectively.
- (8) For the purpose of assessing the vacant land, the estimated capital value of the land shall be the market value fixed by Registration Department for the purpose of registration.

¹⁰ [8. Any tax lawfully levied by or on behalf of the Corporation at the commencement of these rules shall notwithstanding any change in the method or manner of assessment under these rules, be continued till assessment under these rules is made].

¹¹ [9. **Enhancement on revision not to exceed seventy five percent in respect of residential buildings:**

Notwithstanding anything contained in these Rules, where the increase on account of revision of property tax assessments exceeds 75% over the existing tax as on 31st March, 2002 in respect of residential buildings in the general revision of property tax assessments which has been given effect to from the 1st April, 2002, the increase shall be restricted to 75% of the existing tax in respect of residential buildings.]

¹² [10. **Enhancement on revision not to exceed one hundred and one hundred and fifty percent in respect of non-residential buildings which are more than twenty five years old and less than twenty five years old respectively:**

Notwithstanding anything contained in these rules, where the increase on account of revision of property tax assessment exceeds 100% and 150% over the existing tax as on 31st March, 2002 in respect of non-residential buildings which are more than twenty five years old and less than twenty five years old respectively in the general revision of property tax assessments which has been given effect to from the 1st April, 2002, and the increase shall be restricted to 100% and 150% of the existing tax in respect of non-residential buildings which are more than twenty five years old and less than twenty five years old respectively.]

¹³ [Rule - 9. Omitted]

¹⁴ [Rule - 10. Omitted]

¹⁵ [Rule – 9: **Enhancement on revision in respect of Residential Buildings :** Notwithstanding anything contained in these rules, where the increase on account of revision of property tax assessments exceeds 75% over the existing tax as on the 31st March, 2002 in respect of residential buildings in the general revision of property

¹⁰ Rule 8 added by G.O. Ms. No. 540 MA dated 8-11-1991 of MA & UD (TC.1) Department

¹¹ Added by G.O. Ms. No. 155 MA dated 8-4-2002 of MA & UD (TC.1) Department

¹² Added by G.O. Ms. No. 168 MA dated 18-4-2002 of MA & UD (TC.1) Department

¹³ Rule 9 omitted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

¹⁴ Rule 10 omitted by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

¹⁵ Rule 9 is added by G.O. Ms. No. 708 dated 21-9-2007 of MA & UD Department

tax assessments which has been given effect to from the 1st April, 2002, the increase shall be restricted to 75% of the existing tax in respect of residential buildings].

¹⁶ **[Rule – 10: Enhancement on revision in respect of non-residential buildings:** Notwithstanding anything contained in these rules, where the increase on account of revision of property tax assessment exceeds 100% and 150% over the existing tax as on 31st March, 2002 in respect of non-residential buildings which are more than twenty five years old and less than twenty five years old respectively in the general revision of property tax assessments which has been given effect to from the 1st April, 2002 and the increase shall be restricted to 100% and 150% of the existing tax in respect of non-residential buildings which are more than twenty five years old and less than twenty five years old respectively].

¹⁷ **[Rule – 11: Enhancement on revision in respect of non-residential buildings:** “Notwithstanding anything contained in these Rules, where the increase on account of revision of property tax assessment exceeds 50% over the existing tax as on 30-9-2007 in respect of non-residential buildings. In the general revision of property tax assessment, which has been given effect to from 1st October, 2007, the increase shall be restricted to 50% of the existing tax in respect of non-residential buildings”]

¹⁸ **[Rules 9, 10 and 11 are omitted]**

¹⁹ [In Form – A in the heading, after the words “per sq.m.”, the words “or sq. ft.” shall be added]

¹⁶ Rule 10 is added by G.O. Ms. No. 708 dated 21-9-2007 of MA & UD Department

¹⁷ Rule 11 is substituted by G.O. Ms. No. 864 MA dated 26-11-2007 of MA & UD Department

¹⁸ Rules 9, 10 and 11 are again omitted by G.O. Ms. No. 88 dated 5-3-2011 of MA & UD (TC.1) Dept.

¹⁹ Added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

FORM – A**Notification showing the monthly rent fixed per Sq. M. ²⁰[or Sq. ft.] of plinth Area [See Rules 2 (v)]**

Rental Data for the year:	
	Municipal Corporation :
Zone No. :	

Localities/ Areas and Areas included in the zone

Name of the Locality		Door Nos.				
		From:	To:			
Category of buildings.	Nature of usage					
	Residential use	Shops	Public Use	Commercial use	Industrial use	Cinema theatres
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
a) RCC Posh Buildings						
b) RCC ordinary Buildings:						
c) Madras Terraced or Jack arc roofed or stone slabs or slates roofed Buildings.						
d) Mangalore tiled buildings or asbestos roofed or G.I. roofed Buildings.						
e) Country tiled Buildings						
f) Huts.						
<p style="text-align: right;">Commissioner</p> <p style="text-align: right;">_____ Municipal Corporation</p>						

²⁰ Added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD (TC.1) Department

FORM – B

Property Tax Assessment List of Buildings and Lands of Municipal Corporation

Existing Assessment								
Door No.	Name and address of the owner	No. IN the Assessment Register	ARV of the Building	ARV of the site	Total Property Tax Rs. Ps.	Library Cess Rs. Ps.	Zone No.	Name of the Locality
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

	Description of each storey of the Building				Amenities provided in the Building			
Year of completion and age of the Building	Nature and type of roofing	Nature and type of flooring	Nature and type of wood	Nature and type of walls	Electricity	Water Tap / Well	Whether connected with Mpl. Drainage	Attached Bathroom
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)

Total adjacent premises in Sq. Mts	Area of appurtenant land allowed under explanation to Section 87 of A.P.M Act	Area to be taxed under VLT with Asst. No.	Name and occupation of the occupant (owner or Tenant)	Type of Construction	Plinth Area of building per each type of construction in Sq. M.
(19)	(20)	(21)	(22)	(23)	(24)

Contd..

Nature of use of the building	Monthly rent notified per Sq. M of Plinth Area as per type of construction and usage of the building	Monthly rental value fixed Rs. Ps.	Reasons for increase/ decrease/ omission	Asst. No. Allotted in the new register	Gross ARV of the building
(25)	(26)	(27)	(28)	(29)	(30)

Age of the building 25 years and below / above 25years	Allowances for repairs or depreciation/ owner occupied Residential building Rs.	Annual Rental Value of the building Rs.	Annual Rental Value of the site and premises Rs.	Total Annual Rental Value Rs.
(31)	(32)	(33)	(34)	(35)

Revised Asst. As fixed by the Commissioner						Total (40) + (41) Rs. Ps.	Initials of Commissioner	No. of Special Notice	Date of Service of Special Notice
General Tax Rs. Ps.	Conservancy Tax Rs. Ps.	Lighting Tax Rs. Ps.	Drainage Tax Rs. Ps.	Total Property Tax Rs. Ps.	Library Cess Rs. Ps.				
(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)

Contd..

Asst. fixed on Revision Petition					Lighting Tax Rs. Ps.	Drainage Tax Rs. Ps	Total Property Tax Rs. Ps.	Library Cess Rs. Ps.	Total (53) + (54) Rs. Ps.	Initials of Comm.
Date of receipt of Complaint Petitions	No. of Complaint Petitions	Orders of the Commissi oner	General Tax Rs. Ps.	Conserva ncy Tax Rs. Ps.						
(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)

FORM – C

Vacant Land Tax Assessment Municipal Corporation

Existing Assessment								
Sl. No.	Patta No.	Survey and sub-division No.	Name of the owner with full address	No. in the Asst. Register	Area of land in Sq. M.	ARV or capital value	Total Property tax	Description of land with measurements
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Annual Rental Value / Capital Cost							
Initials of the T.I.	Name of the occupant	Nature of usage of the land	In case of vacant land let out monthly rent as reported by owner or occupant or as estimated	Area of vacant land in Sq. M.	Capital value of the vacant land	Reasons for increase / decrease / omission	
(10)	(11)	(12)	(13)	(14)	(15)	(16)	

Asst. As fixed by the Commissioner					
Asst. No. Allotted in the new register	Property tax (Rs. Ps.)	Total property tax (Rs. Ps.)	Library Cess (Rs. Ps.)	Total property tax and Library Cess (Rs. Ps.)	Initials of the Commissioner
(17)	(18)	(19)	(20)	(21)	(22)

(Contd..)

No. of Special Notice	Date of service of special notice	No. of Complaint Petition	Date of receipt of Complaint Petition	Orders of the Commissioner	Property tax (Rs. Ps.)	Library Cess (Rs. Ps.)	Total Property tax and Library Cess (Rs. Ps.)	Initials of the Commissioner
(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)

²¹[After “Form – C” the following shall be added namely :-

“Form – D

Survey of data relating to prevailing rental values of all categories of rented buildings in Municipal Corporation

Sl. No.	PTI No.	Door No.	Existing		Name of the tenant	Nature of construction	Cellar / G. Floor / 1 st Floor other Floors	Nature of Usage	Plinth area	Prevailing MRV (Rs.)	Remarks
			Property tax per annum (Rs.)	Gross MRV (Rs.)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

²¹ Form – D added by G.O. Ms. No. 596 dated 20-11-2006 of MA & UD Department

మనవి

**ఆస్తివన్ను నిర్ధారణ విషయములో నూతన విధానం - మున్సిపల్ కార్పొరేషనులో
విలీనమయిన గ్రామ పంచాయితీ ప్రాంతములలో అమలులో ఉన్న
అద్దె భవనాల అద్దె విలువకి సంబంధించిన సమాచార సేకరణకు సర్వే**

1) ఆస్తివన్ను నిర్ధారణ విషయంలో క్రొత్త విధానం (ప్రాంతం ఆధారంగా యూనిట్ రేటు విధానం) ప్రారంభించే వద్దతిని తేది 1-4-2015 నుండి మున్సిపల్ కార్పొరేషనులో విలీనమయిన గ్రామ పంచాయితీ ప్రాంతములలో అమలులోకి వచ్చే విధంగా నగర పాలక సంస్థ చేపట్టింది. ఆస్తివన్ను నిర్ధారణ యొక్క నూతన విధానములో భూముల మరియు భవనాల వార్షిక అద్దె విలువ స్థిరీకరణ మరియు వాటి ఆస్తివన్ను ఈ క్రింది అంశాల ప్రాతిపదికగా ఉంటాయి.

1. భవనం ఉన్న ప్రాంతం
2. నిర్మాణ విధానం
3. ప్లంట్ ఏరియా (నిర్మాణ విస్తీర్ణం)
4. భవనము ఎప్పుడు నిర్మించారు ?
5. దేనికై ఉపయోగిస్తున్నారు ?

2) **ఆస్తివన్ను నిర్ధారణ నూతన విధానంలో వివిధ చర్యలు:**

మొదటి చర్య : నెలవారి అద్దె స్థిరీకరణ మరియు ఆస్తివన్ను నిర్ధారణ కొరకు లభించే పౌర వసతులు మరియు వివిధ సదుపాయాల ఆధారముగా కార్పొరేషన్‌నులో విలీనమయిన గ్రామ పంచాయితీ ప్రాంతములను ----- ప్రాదేశిక జోన్లుగా విభజించడం జరుగుతుంది.

రిండవ చర్య : ప్రతి జోన్‌లో ఉన్న కట్టడాలను, వాటి నిర్మాణ స్వభావాన్ని బట్టి - ఆరు తరగతులుగా వర్గీకరించబడును.

మూడవ చర్య : ఆ కట్టడాలను ఉపయోగించే స్వభావాన్ని బట్టి వాటిని ----- తరగతులుగా విభజించబడును.

నాల్గవ చర్య : ప్రతి జోన్‌లో ఉన్న వివిధ క్యాటగిరీల భవనములకు ప్రతి చదరపు అడుగు ప్లంట్ ఏరియా నెలవారి అద్దె, ఆ కట్టడం (బిల్డింగ్) నిర్మాణ స్వభావము మరియు దాన్ని ఉపయోగించే స్వభావం ఆధారముగా స్థిరపరచడం జరుగుతుంది. ప్లంట్ ఏరియా చదరపు అడుగు

నెలవారీ అద్దె నిర్ధారించుటకు, ఆయా జోన్లలోని వివిధ క్యాటగిరీల అద్దె భవనాలకు ఆయా ప్రాంతాల్లో అమలులో ఉన్న అద్దెలకు సంబంధించిన సమాచారము సేకరించాలని మరియు ప్లీంత్ ఏరియాలో ప్రతి చదరపు అడుగుకు సగటు నెలసరి అద్దె నిర్ధారించాలని ప్రతిపాదించడమయినది.

ఐదవ చర్య : అన్ని జోన్లకు వివిధ క్యాటగిరీల భవనాల ప్లీంత్ ఏరియా ప్రతి చదరపు అడుగుకు నెలసరి అద్దె తెలుపుతూ దినపత్రికలోను, జిల్లా గెజిట్లోను ముసాయిదా ఫారం 'ఎ' జారీ చేస్తూ, కార్పొరేషను జోన్లుగా విభజించే విషయంలోను, ప్రతి జోనులోను ప్లీంత్ ఏరియాకి సంబంధించి ప్రతి చదరపు అడుగుకు నెలవారీ అద్దె నిర్ధారించే విషయంలోను, ప్రజల అభ్యంతరాలు, సలహాలు కోరడం జరుగుతుంది.

ఆరవ చర్య : ప్రజల నుండి అభ్యంతరాలు, సలహాలు పరిశీలించిన పిమ్మట భవనాల అన్ని క్యాటగిరీల ప్లీంత్ ఏరియా ప్రతి చదరపు అడుగుకు నెలసరి అద్దె నిర్ధారిస్తూ తుది నోటిఫికేషన్ జారీ చేయబడుతుంది.

ప్రతి జోనులోను, వివిధ క్యాటగిరీల అద్దె భవనాలకు సంబంధించి, ప్రస్తుతం అమలులో ఉన్న అద్దెలు మరియు ఆ భవనాల ప్లీంత్ ఏరియా సమాచారం సేకరించే నిమిత్తం మునిసిపల్ కార్పొరేషన్ సిబ్బందిని పంపడం జరుగుతుంది. ఆయా అద్దె భవనాల్లో నివసించే వారంతా ఈ సర్వే విషయంలో మునిసిపల్ కార్పొరేషన్ సిబ్బందికి, తమ పూర్తి సహకారం అందించగలరని మనవి చేయడమైనది.

తేది:

కమీషనరు

_____ నగర పాలక సంస్థ

Annexure – III

**Copy of circular Roc. No. 5227 /2012/F1 Dated 16.03.2012 of
Director of Municipal Administration, A.P., Hyderabad
(See Chapter – 5 & Para – 5.22.3)**

Sub:- Property Tax – Revision petitions and Appeals – Disposal of Revision petitions and Appeals – Certain instructions issued - Reg.

Ref.: This office letter Roc. No. 17471/2010/F1 dated 17-4-2011 addressed to all Municipal Commissioners in the State.

During the training programmes conducted from time to time on assessment and general revision of property tax, detailed instructions have been issued to all Municipal Commissioners on assessment of property tax and general revision of property tax including the procedure to be followed for disposal of revision petitions and appeals. However, it is noticed that several Municipal Commissioners and Regional Directors-cum-Appellate Commissioners are not passing speaking orders while disposing off the revision petitions and appeals. Hence the following instructions are issued for proper disposal of revision petitions and appeals filed against the property tax assessments fixed by the Municipal Commissioners.

2. Filling of Revision Petitions:

2-1. The owners of properties are entitled to file revision petitions within 30 days from the date of service of special notice showing the property tax fixed in respect of the following cases under Rules 10 and 11 of Schedule II of A.P. Municipalities Act, 1965.

- i. When property tax assessment books have been prepared for the first time in the Municipality
- ii. Whenever a general revision of property tax assessment books has been completed.
- iii. Whenever property tax is revised through monthly lists

2-2. In addition, any person may, at any time not being less than 30 days before the end of a half-year move the Commissioner by revision petition to reduce the tax to which his liable under Rule 12 of Schedule II of A.P. Municipalities Act, 1965.

3. Register of Revision Petitions:

3-1. As soon as a revision petition is received in municipal office from a tax payer against the property tax assessment fixed by the Commissioner, the revision petition shall be entered in a Register of revision petitions in “Form – E” appended to Andhra Pradesh Municipalities (Assessment of taxes) Rules, 1990. A serial number shall be given to each revision petition and all columns in the register shall be filled up.

3-2. A docket sheet shall be prepared for every revision petition with the following information.

- | | | |
|------|----------------------|---|
| i. | Serial Number | - |
| ii. | Name of the owner | - |
| iii. | Door No. | - |
| iv. | Locality | - |
| v. | Zone Number | - |
| vi. | Type of construction | - |

vii.	Nature of usage	-
viii.	Plinth area in Sq. Mts.	-
ix.	Monthly rental value fixed per Sq. Mts. of plinth area as per the gazette notification	-
x.	Monthly rental value fixed on the property	-
xi.	Half-yearly property tax	-
xii.	Date of service of special notice	-
xiii.	Date of receipt of revision petition	-
xiv.	Whether the revision petition has been received within 30 days from the date of service of special notice	-
xv.	Whether the revision petition has been received under Rule 12 of Schedule II (Taxation and Finance) Rules of A.P. Municipalities Act, 1965 and if so whether the petition has been received within the time	-
xvi.	Date of hearing	-
xvii.	Orders of the Commissioner in brief	-
xviii.	Property tax fixed after disposal of revision petition	-
xix.	Initials of the Commissioner	-

4. Hearing of the Revision Petition:

The Commissioner shall give an opportunity to the petitioner to appear either in person or by an authorized agent to represent his case in respect of revision petition at the municipal office. For this purpose, hearing notice shall be served on the petitioner informing the date and time of hearing. A reasonable time of one week to ten days shall be given to the petitioner in the hearing notice to appear in the municipal office. At the time of hearing, the Commissioner shall record the statement of the petitioner regarding the submissions made by him for reduction of property tax. After recording the statement of the petitioner by the Commissioner, signature of the petitioner shall be obtained on the statement.

5. Orders of the Commissioner on the Revision Petition:

After completing the hearing of the revision petition, the Commissioner shall pass a speaking order. In simple terms, a speaking order is an order that speaks for itself. The order should contain all the details of the issue, pleadings of the petitioner, clear findings of the competent authority on the issue and should appear as a reasoned order.

The speaking order, among others, may be passed in the following manner:

- i. Details of the building on which property tax is levied
- ii. Grounds stated by the petitioner in the revision petition for reduction of property tax
- iii. Submissions made by the petitioner at the time of hearing of revision petition as recorded in the statement of the petitioner.
- iv. Detailed reasons for confirmation of the property tax or reduction of property tax
- v. Direction to the petitioner to pay the property tax fixed on the revision petition within 15 days from the date of receipt of orders from the Commissioner
- vi. Intimation to the petitioner that an appeal can be preferred to the Appellate Commissioner-cum-Regional Director within 15 days of the receipt of the orders from

the Commissioner on the revision petition duly paying the property tax as specified in the order.

After disposal of the revision, necessary entries shall be made in the Register of revision petitions.

6. A model speaking order on disposal of revision petition for reduction of property tax is herewith enclosed.

7. Appeals:

7-1. An appeal shall lie to an Appellate Commissioner-cum-Regional Director in respect of orders passed by the Commissioner on the disposal of revision petitions filed by the owners of the buildings for reduction of property tax. As soon as an appeal is received in municipal office, it shall be entered the Register of Appeals in Form-K appended to Andhra Pradesh Municipalities (Assessment of taxes) Rules, 1990.

7-2. Consultation with Municipal Chairperson:

As per Rule 22 (2) of Schedule – II of A.P. Municipalities Act, 1965, the Appellate Commissioner-cum-Regional Director shall dispose of the appeals in consultation with Chairperson of Municipality concerned.

As seen from the Case Law on this subject “For purpose of the disposal of the appeal, the requirement of consultation would be satisfied if the Appellate Commissioner communicates his comment on the appeal to the Chairman and invites his remarks to the same and proceeds to dispose of the appeal by affording an opportunity to the Chairman of the Council to attend on the date of hearing. If he intends to add to the comments already made by him or to suggest alternative comments by person, he can do so. In the event of the Chairman of the Council not availing of the opportunity of personal deliberation, it can be concluded that nothing further is to be consulted and on the basis of consultation by correspondence, the Appellate Commissioner can dispose of the appeal”.

7-3. In addition to the above, the Appellate Commissioners may follow the procedure suggested for disposal of revision petitions while disposing of the appeals and also follow the model order for disposal of revision petitions duly making necessary modifications at their level at the time of issuing orders on the disposal of appeals.

8. Commissioners of Municipal Corporations are instructed to follow the instructions issued in the circular for disposal of complaints petitions filed against property tax assessments duly following the provisions of GHMC Act, 1955 and Rules issued there under.

Sd/- Dr. B. Janardhana Reddy
Director of Municipal Administration

Encl.: Model proceedings on disposal of revision petitions.

To,
Commissioners of all Municipalities in the State
Commissioners of all Municipal Corporations except GHMC
All Regional Directors-sum-Appellate Commissioners in the state

Copy submitted to Secretary to Government, MA & UD Department, Secretariat

(MODEL) Proceedings of the Commissioner, _____ Municipality

Present :

Proceedings No. _____ **dated** _____

Sub.: Property Tax – House No. _____ Locality _____ - Revision
Petition filed for reduction of property tax – Disposal of revision petition under
Rules 13 and 14 of Schedule II of A.P. Municipalities Act, 1965 – Orders
Passed – Reg.

Read: Revision petition dated _____ from Sri / Smt. _____

ORDER:

Property tax is levied on building bearing door no. _____ located
in _____ at Rs. _____ per half-year w.e.f
_____.

2. The details of the building as seen from the municipal records are as follows:

- | | | |
|-------|---|---|
| i. | Name of the owner | - |
| ii. | Door No. | - |
| iii. | Locality | - |
| iv. | Zone Number | - |
| v. | Type of construction | - |
| vi. | Nature of usage | - |
| vii. | Plinth area in Sq. Mts.. | - |
| viii. | Monthly rental value fixed per Sq. Mts. of
plinth area as per the gazette notification | - |
| ix. | Monthly rental value fixed on the property | - |
| x. | Half-yearly property tax | - |

3. The details of admissibility of revision petition are as follows:

- | | | |
|------|---|---|
| i. | Date of service of special notice | - |
| ii. | Date of receipt of revision petition | - |
| iii. | Whether the revision petition has been received
within 30 days from the date of service of special notice | - |
| iv. | Whether the revision petition has been received
under Rule 12 of Schedule –II (Taxation and Finance)
Rules of A.P. Municipalities Act, 1965 and if so whether
the petition has been received within the time | - |

Sri / Smt. _____ owner of the building has filed a
revision petition in the reference cited for reduction of property tax duly mentioning the
following grounds for reduction of property tax.

- | | |
|----|-------|
| 1. | _____ |
| 2. | _____ |
| 3. | _____ |

4. _____
5. _____

4. A hearing notice is served on the owner of the building to appear in person or by an authorized agent on _____ (date) at municipal office to represent his case in connection with the disposal of revision petition filed. Sri / Smt. _____ owner of the building / Sri / Smt. _____ agent of the owner attended the hearing in municipal office on _____ and made the following submissions for reduction of property tax

1. _____
2. _____
3. _____
4. _____
5. _____

A statement is recorded from the owner of the building / agent of the owner of the building regarding the submissions made by him / her for reduction of property tax.

5. The information available in municipal records relating to assessment of property tax has been verified with the contents of the revision petition and submissions made by the owner of the building at the time of hearing of the revision petition and the entire matter has been carefully considered. The following contentions made by the petitioner in his revision petition are not in accordance with the information available in municipal records / with the field study conducted again after hearing of the revision petition.

1. _____
2. _____
3. _____
4. _____
5. _____

6. Similarly, the following submissions made by the owner of the building at the time of hearing of revision petition are not in accordance with the information available in municipal records / with the field study conducted again after hearing of the revision petition.

1. _____
2. _____
3. _____
4. _____
5. _____

7. In the circumstances, it is concluded that property tax on building bearing no. _____ located at _____ is levied as per the gazette notification no. _____ dated _____ issued by the municipality showing monthly rent fixed per Sq. m. plinth area. Hence, the property tax already levied at Rs. _____ per half-year is confirmed with effect from _____.

Alternatively

8. The entire matter is considered carefully as per the information available in municipal records. The following contentions made by the petitioner in his revision petition are accepted duly verifying the information available in municipal records / with the field study conducted again after hearing of the revision petition.

1. _____
2. _____
3. _____

4. _____
5. _____

9. Similarly, the following submissions made by the owner of the building at the time of hearing of revision petition are accepted duly verifying the information available in municipal records / with the field study conducted again after hearing of the revision petition.

1. _____
2. _____
3. _____
4. _____
5. _____

10. In the circumstances, the monthly rental value fixed on the building bearing no. _____ located at _____ has been reduced from Rs. _____ to Rs. _____. Accordingly, half-yearly property tax on the above building has been reduced from Rs. _____ to Rs. _____.

11. The petitioner is directed to pay the property tax fixed on the disposal of the revision petition with in 15 days from the date of receipt of this order.

12. The petitioner is further informed that an appeal can be preferred to the Appellate Commissioner-cum-Regional Director _____ within 15 days from date of the receipt of this order duly paying the property tax as specified in the order.

Commissioner
_____ **Municipality**

To,
Sri / Smt. _____

_____.

Copy to Revenue Officer / Revenue Inspector for necessary action.

Annexure – IV

Time line for completion of Levy of Property Tax **to come into effect from 01.04.2015**

1. Division of merged Gram Panchayat areas into zones : 1.11.2014 to 10.11.2014
2. Survey of prevailing rental values of 20% of rented buildings of all categories : 11.11.2014 to 30.11.2014
3. Publication of the Draft notification in Form 'A' showing the monthly rent proposed for Sq.mt of plinth area : 05.12.2014
4. Tabulation of objections / suggestions received from the public along with remarks of the Commissioner thereon and convene informal meeting with the chairperson and all members of council for receiving their suggestions : 25.12.2014
5. Consultation with Property Tax Board on draft notification : 31.12.2014
6. Publication of Final Notification in Form- A : 15.01.2015
7. Preparation of Property Tax Assessment List of Buildings in Form – B : 10.11.2014 to 10.02.2015
(Note:- The work relating to preparation of assessment list of buildings shall be started parallelly as soon as division of merged Gram Panchayat areas into zones is completed by constituting required number of teams)
8. Issue of Public Notice under Section 226-A (2) of GHMC Act, 1955 : 25.02.2015
9. Preparation of special notices : 1.2.2015 to 10.3.2015
(Note: Preparation of special notices shall be started simultaneously as soon as one assessment book is completed without waiting for completion all assessments books)
10. Service of special notices : 11.03.2015 to 31.03.2015

Annexure – V

Progress Report on Levy of Property Tax for the weekending _____

Name of the Municipal Corporation	Date of division of merged Gram Panchayat areas into zones	No. of rented buildings for which rental data has to be gathered	No. of rented buildings for which data is gathered	Cumulative no. of buildings for which data is gathered	Date of issue of draft notification in Form – A	Date of issue of final notification in Form A	Total No. of assessments
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

No. of assessments covered in Form B	Cumulative no of assessments covered in Form B	Balance no. of assessments	No. of special notices prepared	Cumulative no. of special notices prepared	Balance of special notices to be prepared	Total No. of special notices to be served	No. of special notices served	Balance no. of special notices to be served
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)