

MUNICIPAL ADMINISTRATION DEPARTMENT

**Office of the Commissioner & Director of
Municipal Administration, Telangana
State Hyderabad – 500 004**

CIRCULAR

Roc.No.226/2014-M1

Dated:17.12.2014

Sub:- Taxes – Levy of Property Tax in newly constituted Municipalities / Nagar Panchayats and merged Grampanchayats in existing Municipalities with effect from 1.4.2015 – Certain instructions issued – Modification of the Circular – Revised instructions issued – Reg.

Ref:- 1.Govt.Memo.No.21775/A2/2012-5, Dated:20.09.2014 of MA & UD Dept.
2.This office Circular Roc.No.226/2014-M1, Dated: 8-10-2014
3.This office Circular Roc.No.226/2014-M1, Dated: 18-11-2014

The attention of all Commissioners of newly constituted Municipalities, Nagarpanchayats and Municipalities where Grampanchayats are merged is invited to the reference second cited, where in instructions are issued for levy of property tax in newly constituted Municipalities, Nagarpanchayats and Municipalities where Grampanchayats are merged.

2. The attention of the Commissioners is invited to para 7-4 of Circular issued in the reference second cited which states as follows:

“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”.

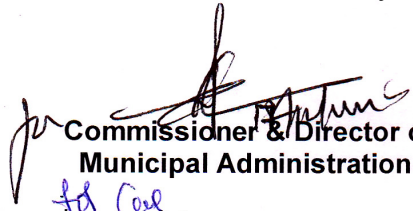
3. The attention of the Commissioners is invited to Annexure-IV of the Circular which has prescribed timeline for completion of levy of property tax to come into effect from 1-4-2015. It is noticed that Annexure – IV is not in accordance with the instructions issued in the Circular second cited. Accordingly, Annexure – IV is suitably modified and a revised Annexure – IV is herewith enclosed for guidance of Municipal Commissioners.

4. In respect of Municipalities where a draft notification in **Form - A** has already been issued without consulting Property Tax Board, the said notification may be got cancelled for the reason that prior consultation with Property Tax Board is mandatory before issue of draft notification in **Form – A** as per Section 85-1 (1) (ii) of A.P. Municipalities Act, 1965.

5. The concerned Municipal Commissioners are instructed to consult the Property Tax Board before issue of draft notification in **Form – A** by sending a copy of draft notification and information in the check slip enclosed and seek their views in the matter. This information shall be sent through Revenue Officer / UDRI to reach this office by 18-12-2014.

Encl.: 1) Revised Annexure – IV
2) Check slip

To,
Municipal Commissioners of newly constituted Municipalities,
Nagarpanchayats and Municipalities where Grampanchayats are merged.
The RDMAs., Warangal and Hyderabad


Commissioner & Director of
Municipal Administration
for C&D
17/12

Annexure – IV

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

- | | | |
|--|---|--------------------------|
| 1. Division of Municipalities into zones | : | 01.11.2014 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. Preparation of draft notification in Form A showing the monthly rent proposed per sq. mt. of plinth area | : | 05.12.2014 |
| 4. Consultation with Property Tax Board on draft Notification | : | 24.12.2014 |
| 5. Consideration of the views of the Property Tax Board | : | 31.12.2014 |
| 6. Publication of the Draft notification in Form 'A' showing the monthly rent proposed for Sq.mt of plinth area calling for objections / suggestions | : | 05.01.2015 |
| 7. 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 | : | 25.01.2015 |
| 8. Publication of Final Notification in Form-A | : | 30.01.2015 |
| 9. 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 parallely as soon as division of Municipality into zones is completed by constituting required number of teams)

- | | | |
|---|---|--------------------------|
| 10. Issue of Public Notice under Rule 10(1) of Schedule II of APM Act, 1965 | : | 25.02.2015 |
| 11. Preparation of special notices | : | 01.02.2015 to 25.02.2015 |

(Note: Preparation of special notices shall be started simultaneously as soon as one assessment book is completed without waiting for completion all assessments books)

- | | | |
|--------------------------------|---|--------------------------|
| 12. Service of special notices | : | 01.03.2015 to 25.03.2015 |
|--------------------------------|---|--------------------------|

Check slip for consultation with Property Tax Board on
Levy of Property Tax by Urban Local Bodies

1. Name of the ULB :
2. Number of Assessments at present
 - a) Residential Buildings :
 - b) Non-residential Buildings :
 - c) Total :
3. Property Tax Demand per annum
 - a) Residential Buildings :
 - b) Non-residential Building :
 - c) Total :
4. No. of Taxation main Zones proposed :
5. No. of Taxation sub-zones proposed :
6. Whether monthly rent per sq.mt. of plinth area is separately fixed for various floors in multistored buildings i.e. (1) Cellar (2) G + 1st floor (3) other floors :
7. Whether monthly rent per sq.mt. of plinth area is separately fixed for various floors in non-multistored buildings i.e. (1) Cellar (2) G + 1st floor (3) II and III Floors :
8. Whether difference in monthly rent per sq. mt. of plinth area between RCC Posh building / RCC Ordinary building is limited to 20% of monthly rent per sq.mt. Plinth Area :
9. **Particulars for fixation of monthly rental value per sq. mt. of plinth area based on construction and usage**

Sl. No.	Item	Response
1.	Whether the ULB was divided into zones as per the Rules and circulars issued on the subject from time to time?	
2.	Whether sub-categorization of localities in zones has been provided?	

3.	No. of rented buildings i. Residential buildings ii. Non-residential buildings iii. Total rented buildings				
4.	Whether survey has been conducted to gather information relating to prevailing rental values of 20% of the rented buildings of various categories in a zone in Form-L.				
5.	Produce registers in Form-L in respect of all taxation zones for verification				
6.	Details of survey conducted in respect of rented buildings usage-wise				
	Category of usage	Total no. of rented buildings	20% of rented buildings	No. of buildings for which survey is conducted	Percentage of buildings for which survey is conducted
	i. Residential				
	ii. Shops / Shopping Complexes				
	iii. Public Use				
	a) Offices and Banks				
	b) Hospitals and Nursing Homes				
	c) Educational Institutions				
	iv. Commercial use				
	a) Hotels, Lodges, Restaurants				
	b) Godowns and other business establishments				
	v. Industrial use i.e., Factories, Mills, Workshops and other industries				
	vi. Places of Entertainment				
	a) Cinema theatres or other places of entertainment				
	vii. Any other usage not covered above				

10. Produce registers Zone-Wise showing the following particulars

- a) Data showing totaling of plinth area for buildings of same construction and same usage category-wise in each zone / sub-zone
- b) Data showing totaling of prevailing rent for these categories

- c) Data showing total monthly rent shown in clause (b) above divided by total plinth area in clause (a) above to arrive at average monthly rent per sq.mt. of plinth area for buildings of same construction and same usage in each zone / sub-zone.

11. Statement showing the monthly rental values proposed per sq. mt. of plinth area construction-wise and usage-wise in entire municipal area

(Figures in Rupees)

Category of usage	Category of building construction-wise											
	RCC posh		RCC ordinary		M. Terraced		M.Tiled		Country Tiled		Huts and others	
	Min.	Max	Min.	Max	Min.	Max	Min	Max	Min.	Max	Min.	Max
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
i. Residential												
ii. Shops / Shopping Complexes												
iii. Public Use												
a) Offices and Banks												
b) Hospitals and Nursing Homes												
c) Educational Institutions												
iv. Commercial use												
a) Hotels, Lodges, Restaurants,												
b) Godowns and other business establishments												
v. Industrial use i.e., Factories, Mills, Workshops and other industries												
vi. Places of Entertainment												
a) Cinema theatres or other places of entertainment												
vii. Any other usage not covered above												

12. Attach copy of draft notification in :
Form 'A' showing monthly rent
proposed per sq.mt. of plinth area
13. Any other relevant information :

Commissioner
