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CIRCULAR

Reg. No. 21490/86/R1

Dated: 12.10.86

Sub: Property Tax - Quinquennial revision of property tax in Municipalities - assessment of certain buildings under Rent Control Act - Instructions issued.

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The attention of the Municipal Commissioners is drawn to the instructions issued from this office in respect of general revision of property tax. In particular, their attention is drawn to the assessment of certain special classes of buildings for which instructions have been given in the instruction booklet and during the review meetings held in September 1986.

The attention of the Municipal Commissioner is also drawn to Section 82 of the Tamil Nadu District Municipalities Act, which describes the method of assessment of property for purpose of property tax.

Apart from the above, there are cases of buildings of special nature like the Cinema Theatres, Lodging Houses, Kalyana Mandapams, Nursing Homes, Operation Theatres, Factories, etc. where the adoption of normal method of assessment of Annual Rental Value may be found difficult and in several cases like the above, the owners are likely to approach the court for setting aside the assessments fixed by the Special Revision Officers on the plea that the assessment has not been fixed with reference to the provisions of the Rent Control Act. It is also seen that in all such cases, the Civil courts have invariably held that the assessments should be fixed with reference to the provisions of the Rent Control Act and the assessments fixed otherwise have been set aside. In such cases, the Municipal Commissioners have to revise the assessment of the above properties in the light of the Court judgements and with reference to the provisions of the Rent Control Act. Keeping the above position in mind, it is considered that in respect of certain special classes of buildings as mentioned above where the annual rental value of such buildings cannot easily be estimated and in cases where the Courts have already given such judgements, the assessment of the property tax following the principles of Rent Control Act will be expedient and safeguard the interest of the Municipalities besides avoiding unnecessary litigation in courts.

For the above purpose, the proforma for working out the annual rental value of properties applying the principles of the Rent Control Act is enclosed. The Municipal Commissioners are requested to instruct the Special Revision Officers to follow the same in respect of the above cases and wherever it is necessary.

In this connection, it is hereby instructed that for assessing the above types of buildings under the Rent Control Act

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the Commissioners should assume responsibility for collection of necessary data from the Public Works Department, etc. and for working out the proforma etc., The Special Revision Officers should not be made to waste their time in going to the Public Works Department offices for gathering the require particulars, etc. The Special Revision Officers will have to inspect the above buildings just for assessment of the property as in other cases. The collection of particulars required for assessment and working out of the proforma entrusted to the Revenue Inspectors, Assistant Revenue Officers and Junior-Engineers by the Commissioner and the Special Revision Officers should fix the Annual Rental value of the buildings with reference to the particulars made available to them after inspection of the buildings. The assessments under this category should be fixed with the full knowledge of the Municipal-Commissioners.

The Municipal Commissioners and Special Regional Directors of Municipal Administration are requested to report the action taken in this regard along with the regular progress reports.

The receipt of this circular should be acknowledged.

Encl:- Proforma

(Sd/-) T.R. Srinivasan,
Director

To
All the Executive Authorities of Municipal Councils and
Township Committees.
All Special Revision Officers.
All Regional Directors of Municipal Administration
and Special Regional Directors of Municipal
Administration.

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/Forwarded/by order

O. V. S. Srinivasan
Superintendent

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