By E-Mail

Commissionerate of Municipal Administration, Chennai-5

Roc.No. 38714/2008/R1

013179 3183/83/88

Date: 13.08.2008

New Sub:

Ref:

Profession Tax – Municipalities and Municipal Corporations – quinquennial revision of rates due from 01.10.2008 – instructions issued - regarding.

1] GO (Ms) No: 11 Municipal Administration & Water Supply Department dated: 12.01.99

2] This office letter No: 20265/ 2003/ R1 dated: 11.09.2003.

In the reference 1st cited, Government had framed new rules called "The Town Panchayats, Municipalities and Municipal Corporations (Collection of Tax on Professions, Trades, Callings and Employments) Rules, 1999" and the same came into force from 01.10.98. i.e. 1998-98 II half year

As per Rule 16, the council should revise the rate of tax once in five years from the period commencing from the 1st October 1998, by increasing the rate not less than twenty-five percent (25%) and not more than thirty-five percent (35%) of the rate of tax fixed in the Act. The council should not change or revise the slabs of average half-yearly income fixed in the Act.

The percentage of increase in tax once fixed by the council under sub-rule (1) should not be reduced without prior permission of the Government.

As per Rule 17, the commissioner should make arrangements for publication of rate of tax revised by the council under rule 16 in accordance with sub-rule (2) of rule 3.

Hence, all the Regional Directors of Municipal Administration are requested to instruct the Commissioners of Municipalities in your region and take follow up action in this regard,

All the Corporation Commissioners (Except Chennai) are also requested to take immediate action in this regard.

The receipt of the Circular should be acknowledge

Sd/- Dr.Niranjan Mardi Commissioner of Municipal Administration.

<u>To,</u>

- 1] All Regional Directors of Municipal Administration.
- 2] All Corporation Commissioners [except Chennai]

Copy to:-

- 1] All Municipal Commissioners.
- 2] All Executive Officers of 3rd Grade Municipalities.
 3] Director of Local Fund Audit & Accounts, Chennai-118.
- 4] The Principal Secretary to Government, Municipal Administration & Water Supply Department, Secretariat, Chennai-9.