

OFFICE OF THE COMMISSIONER OF MUNICIPAL ADMINISTRATION,  
CHEPAUK, CHENNAI - 600 005.

C I R C U L A R

0040 37

Rdc. No. 60572/98/R1

Dated: 31.12.98.

06 JAN 1999

Property tax - General Revision of  
Property tax in Municipalities - Revised  
ceiling fixed - Instructions issued.

Ref: 1. This office Circular No. 60572/98/R1  
dated 23.10.98.  
2. Fax Message dated 30.12.98 of Commissioner  
of Municipal Administration.

The attention of all the Municipal Commissioners  
is invited to the Fax Message communicated through  
the Regional Directors of Municipal Administration  
cited wherein it has been informed that the revised  
ceiling fixed for enhancement of Property tax has  
been indicated as follows:-

- 1) Owner occupied Residential Buildings : Enhancement should not exceed 25%
- 2) Rented Residential Buildings : Enhancement should not exceed 50%
- 3) Commercial Buildings : Enhancement should not exceed 100%
- 4) Industrial Buildings : Existing ceiling of 150% retained.

2) As per the instructions issued in the matter  
certain Municipalities have <sup>already</sup> served Special Notices and  
some Municipalities have completed Data Entry for all  
the assessments and the work relating to computation  
of assessments is under various stages of progress.  
In some Municipalities Data  
entry itself is in final stage.

3. In all these cases, it should be ensured that the assessment of taxes is revised with reference to the revised ceiling as indicated in para-1 above.

4. Though it is left to the Municipal Commissioners concerned to devise appropriate method and strategy to revise the assessments expeditiously with reference to revised ceiling, the principles of transparency and 'Nil' scope for manipulations and discretions at all levels should be continued to be ensured.

5. The following options can be considered by the Municipal Commissioners for adoption in their Municipalities.

(i) Whenever Special Notices have been served fully or partially with assessment sheets, etc., in respect of assessments for which the revised tax is in excess of the revised ceiling, a supplementary notice indicating (a) the tax already assessed with Annual Rental Value, (b) the revised ceilings on enhancement indicated in para-1 above and (c) the revised Annual Rental Value/Tax with effect from 1998-99 II half Year should be issued. The notice should also indicate that Revision Petitions, if any, will be considered within 30 days from the date of receipt of the supplementary notice.

(ii) Where Special Notices have not been served but assessment sheets are ready, an additional column may be opened lastly indicating the revised ceiling and revised Annual Rental Value/Tax. The opening of the additional column may not be necessary in respect of cases where revised Annual Rental Value/Tax is within the revised ceiling in the case of residential, rented residential and commercial buildings. In the case of Industrial buildings, since there is no change in the

ceiling, the additional column is not necessary. The ceiling indicated in the Enclosure to Assessment Sheet should be suitably revised/corrected as mentioned in para-1.

(iii) In the case of Municipalities, where Data entry work alone has been completed and Special Notices or Assessment Sheets have not been prepared, suitable arrangements may be made to incorporate the revised ceiling and work out the revised Annual Rental Value/Tax both in the working sheet and in the enclosures.

(iv) After the above process is completed, the Municipal Commissioners should ensure that the revised ceiling is incorporated in the Software Programme itself and records duly corrected are maintained for future use.

6) All the Municipal Commissioners are requested to ensure that there is no lapse or irregularity in revising the Annual Rental Value/Tax by proper monitoring and supervision.

7) The receipt of this circular may be acknowledged.

Sd/- SANWAT RAM.

COMMISSIONER OF MUNICIPAL  
ADMINISTRATION.

To

All Executive Authorities of Municipalities,  
All Regional Directors of Municipal Administration,  
Commissioners of Corporations (except Chennai)

/Forwarded By Order/

*Sanwat Ram*  
For COMMISSIONER OF  
MUNICIPAL ADMINISTRATION.  
CHENNAI-5  
23/12/98