

HYDERABAD MUNICIPAL CORPORATIONS (ASSESSMENT OF PROPERTY TAX) RULES, 1990

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HYDERABAD MUNICIPAL CORPORATIONS (ASSESSMENT OF PROPERTY TAX) RULES, 1990

In exercise of the powers conferred by sub-section (1) of Section 585 read with Clause (a) of sub-section (1) of Section 212 of the Hyderabad Municipal Corporations Act, 1955, the Governor of Andhra Pradesh Hereby makes the following rules relating to assessment of property taxes.

1. Short title :-

The rules may be called the Hyderabad Municipal Corporations (Assessment of Property Tax) Rules, 1990.

2. Definitions :-

In these rules.

(i) 'Act' means the Hyderabad Municipal Corporation Act, 1955;

(ii) 'Form' means a form appended to these rules;

(iii) 'Zone' means, the area as notified in Form 'A' ;

(iv) 'Plinth area of the 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 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

(vii) '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.

(2) The Commissioner, shall gather the information relating to the prevailing rental value as specified in Rule 4 to 6 so as to arrive at the rate of rent per month or per year per square meter of plinth area [x x x], [and then issue a draft notification in a daily newspaper having circulation in the district and in the District Gazette calling for objections and suggestions from the public so as to read 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 yearly rental values per square metre of plinth area in each Zone.] The Commissioner should consider the objections and suggestions if any, received in response to the said notification and revise the Zones and the monthly or yearly rents where ever necessary. He shall place the proposals before the Committee constituted by the Government for its final recommendation. On the basis of the recommendations of the Committee, the Commissioner shall issue a final notification in Form-A and publish it in a local newspaper having circulation in the District and in the District Gazette for information of the public.

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 centres;
- (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 building 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 Jack arch roofed or tone slabs or slates roofed buildings;
- (d) Mangalore tiled roofed or Asbestos roofed or G.I. roofed buildings;
- (e) Country tiled buildings;
- (f) Huts.

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.

7. Fixation of monthly or yearly rent :-

(1) All buildings located in a zone shall be classified based on types of construction and nature of use, 36 categories of buildings can be identified in each zone based on the above criteria. The Commissioner shall gather the information relating to the prevailing rental value of the 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.

[(2) The Commissioner shall then provisionally fix monthly or yearly rent for each category in a Zone per square metre 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 in a local newspaper having circulation in the district calling for objections or suggestions from the Public for such adoption regarding the division of Municipality 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 in response to the said notification and revise the Zones and the monthly or yearly rental values wherever necessary. He shall then place all the proposals before the District Level Advisory Committee constituted by the Government for its final recommendations. Thereupon the Commissioner shall publish a final notification in Form-A in the District Gazette and 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 metre 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.

(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'.

(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 book. 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 rate 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) 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.

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.]

9. Enhancement on revision not to exceed seventy five per cent in respect of residential buildings :-

6 . Notwithstanding anything contained in these rules, where the increase on account of revision of property tax assessments exceed 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.]

10. Enhancement on revision not to exceed one hundred and one hundred and fifty per cent 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 assessment 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.]