

Tamil Nadu Municipal Laws Second Amendment Act, 1997

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The date of coming into force of the above amendments have not been notified by the State Government. As such, these amendments are not in force. Hence, these amendments have not been incorporated in the principal Act and seperately given for the reference.

1. Section 1 :-

2. Section 2 :-

In the Chennai City Municipal Corporation Act, 1919 (Tamil Nadu Act IV of 1919) (hereafter in this Part referred to as the 1919 Act), for sections 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 108-A and 109, the following sections shall be substituted, namely:--

"99. Levy of property tax.--

(1) The property tax shall be levied on all buildings and lands within the city.

(2) (a) In relation to any building newly constructed or where any addition or alteration has been made to any existing building, the owner or occupier of such building;

(b) where the title of any building or land is transferred, such transferee;

(c) in relation to any building or land, in the event of death of the person primarily liable to the payment of property tax, the person on whom the property is transferred, shall furnish to the Commissioner within such date as may be prescribed, a return for such building or land containing such details as may be prescribed

for the assessment or reassessment of the property tax to the said building or land.

(3) In the case of reassessment or general revision of any property tax leviable under this Act, the owner or occupier of any building or land shall furnish to the Commissioner within such time as may be prescribed, a return in such form containing such details as may be prescribed for the assessment of property to such building or land.

(4) If any owner or occupier of any building or land fails to furnish a return as required under sub-section (2) or sub-section (3) or furnishes an incomplete or incorrect return, the Commissioner or any person authorised by him in this behalf, shall cause an inspection to be made and also to make such local enquiries as may be considered necessary, and based on such inspection and information collected, shall prepare a return and a copy of the return shall be furnished to the owner or occupier of the building or land ;

(5) On receipt of a return under sub-section (2) or sub-section (3) or on the basis of the return prepared by the Commissioner under sub-section (4) and after considering the objections, if any, received, the Commissioner shall determine the tax payable in accordance with the provisions of this Act and shall send an intimation to that effect to the person concerned ;

1[(5-A) In the case of failure to furnish a return under sub-section (2) or sub-section (3), the Commissioner shall, in addition to the tax determined under sub-section (5), direct the owner or occupier of any building or land to pay by way of penalty, a sum of rupees two hundred and fifty, or five percent of the tax determined under sub-section (5), whichever is higher ;]

(6) For the purpose of assessment of property tax for any building or land in the city, the Commissioner or any officer authorised by him in this behalf may enter, inspect, survey and measure any building or land, after giving due notice to the owner or occupier before such inspection and the owner or occupier shall be bound to furnish necessary information required for this purpose ;

(7) The property tax on building and land shall, subject to the prior payment of the land revenue, if any, due to the State Government thereon, be a first charge upon the said building or land and upon the movable property, if any, found within or upon such building or land and belonging to the person liable to pay tax.

100. Minimum and maximum basic property tax, additional basic property tax, etc.--

The State Government shall prescribe the minimum and the

maximum rates of--

(a) basic property tax for the building or land having regard to--

(i) the existing property tax ;

(ii) the value of the building and land ; and

(iii) the use of the building ;

2[(b) additional basic property tax for every building with reference to its location ;

(bb) additional basic property tax for every building with reference to its type of construction ;]

(c) the concession with regard to age of the building.

101. Determination of basic property tax, additional basic property tax, etc., by Council.--

(1) The basic property tax, the additional basic property tax and the concession, if any, with regard to the age, for every building or land shall be determined by the Council subject to the minimum and maximum rates prescribed by the State Government under section 10

(2) The Council shall notify the rates determined under sub-section (1) and such other particulars and in such manner as may be prescribed ;

(3) (i) (a) The basic property tax for every building shall relate to the carpet area of the building and its usage :

Provided that the carpet area of any building shall not include the open verandah, a open court-yard or any other open space which is not enclosed.

(b) The classification of the building for the purpose of deciding the usage of any building shall be residential, commercial, industrial or any other classification as may be prescribed.

(ii) (a) The additional basic property tax for every building shall relate to location and type of construction of the building.

(b) For the purpose of this clause, the location of the building shall be classified as follows :--

(A) arterial roads, bus-route roads leading to arterial roads and main roads ;

(B) bus-route roads other than those specified in item (A);

(C) roads and streets in primarily residential colonies.

(c) The type of construction of the building shall be classified into different groups as follows, namely :--

(A) thatched and tiled roof ;

(B) reinforced concrete, cement roof ;

(C) reinforced concrete cement roof with mosaic flooring partly or fully;

(D) granite, ceramic tiles and marble flooring and walls partly or fully.

(iii) A concession on the basic property tax shall be allowed in calculating the property tax having regard to the age of the building, in such manner as may be prescribed.

102. Assessment and calculation of property tax.--

(1) For the purpose of levy of property tax, every building shall be assessed together with its site and other adjacent premises occupied as an appurtenance thereto.

3[xxx xxx xxx]

(2) The property tax shall be calculated as follows :--

(a) Firstly, the basic property tax for a building shall be calculated at the rate fixed by the Council ;

(b) Secondly, the additional basic property tax for such building shall be calculated at the rate fixed by the Council and added to the basic property tax so arrived at under clause (a);

(c) Thirdly, on the quantum of amount arrived at under clauses (a) and (b), the concession having regard to the age of the building at the rate fixed by the council shall be deducted and the amount so arrived at shall be the property tax payable in respect of any building for every half-year and shall be paid by the owner or occupier of such building within the half-year period.

Explanation.--For the purpose of this sub-section, the expression "half-year" shall be from the 1st day of April to the 30th day of September and from the 1st day of October to the 31st day of March of a year :

Provided that in the case of any Government or railway building, a concession shall be allowed in calculating the property tax in such manner as may be prescribed.

(3) The Commissioner shall issue a property tax book containing all the details of the building or land and the property tax payable in relation to such building or land in such form as may be prescribed.

4[(4) (a) Where there is any land without any building situated within the city limit, the Commissioner shall determine the property tax payable for such land at the rate fixed by the Council.

(b) Where there is any land with building situated within the city limit, and if the extent of the land left vacant twice the plinth area of the building, the Commissioner shall determine the property tax on the vacant land which exceeds twice the plinth area of the building at the rate fixed by the Council:

Provided that no property tax on any land shall be levied under this sub-section if the extent of such land with or without any building

thereon, does not exceed two thousand and four hundred square feet.

(5) The Council may, subject to such rules as may be made by the Government by notification, in this behalf, exempt any building having a carpet area not exceeding one hundred square feet, constructed with mud walls and thatched roof, from the levy of property tax.]

103. General revision of property tax.--

The general revision of the assessment of property tax in relation to the building and land situated within the city limit shall be made from such date as the State Government may, by notification, the Commissioner may revise the property tax in accordance with the provisions of this Act and the rules made thereunder :

Provided that there shall be an interval of five years between one general revision and another general revision.

104. General exemptions.--

The following buildings and lands shall be exempt from the property tax :--

(a) places set apart for public worship and either actually so used or used for no other purpose ;

(b) choultries for the occupation of which no rent is charged and choultries the rent charged for the occupation of which is used exclusively for charitable purposes ;

(c) buildings used for educational purpose including hostels attached thereto and places used for the charitable purpose of sheltering the destitute or animals and orphanages, homes and schools for the deaf and dumb, asylum for the aged and fallen women and such similar institutions run purely on philanthropic lines as are approved by the council ;

(d) such ancient monuments protected under the Ancient Monuments Preservation Act, 1904 (Central Act VII of 1904) and such ancient and historical monuments declared by or under the Ancient Monuments and Archaeological Sites and Remains Act, 1958 (Central Act 24 of 1958) to be of national importance and also such ancient monuments and archaeological sites and remains protected under the Tamil Nadu Ancient and Historical Monuments and Archaeological Sites and Remains Act, 1966,(Tamil Nadu Act 25 of 1966) or parts thereof as are not used as residential quarters or public office ;

(e) charitable hospitals and dispensaries but not including residential quarters attached thereto ;

(f) such hospitals and dispensaries maintained by railway

administration as may, from time to time, be notified by the State Government, but not including residential quarters attached thereto ;

(g) burial and burning grounds included in the list published by the Commissioner under sub-section (3) of section 321;

(h) the bed of the Cooum, the bed of the Adyar, the Buckingham canal, Government lands set apart free for recreation purposes and all such other Government property being neither buildings nor land from which in the opinion of the State Government any income could be derived as may, from time to time, be notified by the State Government:

Provided that the Government does not derive any income from such beds:

Provided further that nothing contained in clauses (a), (c) and (e) shall be deemed to exempt any building or land from property tax for which rent or service charge is payable by the person using the same for the purposes referred to in the said clauses.

105. Power to rectify error apparent on the face of the record.--

(1) The Commissioner may, on his own motion or on an application made at any time within six months from the date of any order passed by him rectify any error apparent on the face of the record :
Provided that no such rectification which has the effect of enhancing an assessment, shall be made unless such authority has given notice to the assessee and has allowed him a reasonable opportunity of being heard.

(2) Where such rectification has the effect of reducing an assessment, the excess amount, if any, paid by the assessee shall be adjusted towards any tax that may accrue in future.

106. Levy of fine.--

(1) Where a person fails to pay the property tax within the time specified, the Commissioner shall impose upon him, by way of fine, a sum as fixed by the Council in this behalf in accordance with such rules as may be prescribed.

(2) On verification of the return filed by the owner or occupier of the building or land for the issue of the property tax book, the Commissioner may, if he is satisfied that the owner or occupier wilfully filed false return, the Commissioner may cause reassessment of such property and direct the owner or occupier to pay, in addition to the tax assessed, by way of fine, a sum which shall be one hundred percent of the difference in the tax due :

Provided that no fine under this sub-section shall be imposed unless the owner or occupier affected has had a reasonable

opportunity of showing cause against such imposition.

5[106-A. Education tax.--

The Council may levy education tax within its area, at such rate not exceeding five per cent of the property tax and in such manner as the Council may determine.]

107. Taxation Appeals Tribunal.--

(1) There shall be one or more Taxation Appeals Tribunals (hereafter in this section referred to as "the Tribunal") for the corporation for hearing and disposing of an appeal preferred by any person who is not satisfied with the assessment order made by the Commissioner under this Act other than the orders relating to the transfer duty.

(2) The Tribunal shall consist of a Judicial Officer who is or has been a Civil Judge (Senior Division / Chief Judicial Magistrate).

(3) The terms and conditions of the Tribunal shall be such as may be determined by the Government.

(4) The salary and other allowances payable to the Tribunal shall be borne from the funds of the corporation.

(5) No appeal shall be entertained by the Tribunal unless the appellant deposits with the corporation the entire amount as assessed by the Commissioner in the revision.

(6) (i) Every appeal filed under this section shall be entered in a register maintained for this purpose by the Tribunal.

(ii) The Tribunal shall give to person filing an appeal a written notice specifying the place, date and time of hearing the appeal.

(iii) The Tribunal shall dispose of the appeal within five months from the date of filing of the appeal.

(iv) Any person preferring an appeal may either appear in person or through an authorised agent before the Tribunal.

(v) The gist of the order passed in an appeal shall be recorded in the register which shall be duly attested by the Tribunal and a copy of the order shall be supplied within ten days from the date of passing of the order to the appellant.

(vi) The excess amount of tax is available in view of the orders of the Tribunal will be adjusted by the Commissioner for the property tax to be collected in future.

(7) An appeal against the decision of the Taxation Appeals Tribunal may be filed within thirty days from the date of the order to the District Judge 6[and the appellant shall continue to deposit the property tax with the corporation as decided by the Tribunal till the disposal of the appeal by the District Judge.]

(8) No appeal shall be entertained by the District Judge unless the

appellant deposits with the corporation the entire amount of tax as decided by the Tribunal.

(9) Where as a result of any order passed in appeal, any amount already deposited is in excess of the tax due, the difference after deducting the tax due shall be adjusted towards the tax and fine due, in respect of any other period, to the corporation.

1. Sub-section (5-A) was inserted by Tamil Nadu Act 34 of 1998.
2. Substituted for clause(b) by Tamil Nadu Act 34 of 1998.
3. Proviso was omitted by Tamil Nadu Act 34 of 1998.
4. Substituted for Sub-section (4) by Tamil Nadu Act 34 of 1998.
5. Inserted by Tamil Nadu Act 34 of 1998.
6. Added by Tamil Nadu Act 34 of 1998.

3. Amendment Of Section 348 :-

In section 348 of the 1919 Act, clauses (a) and (b) shall be omitted.

4. Amendment Of Schedule Iv :-

In Schedule IV of the 1919 Act, Parts I-A and V shall be omitted.