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City to adopt uniform property tax

Corporation forms committee which will soon rationalise the rates

The Greater Chennai Corporation will have a uniform system of property tax calculation, changing the existing anomalies caused by different methods of calculation in erstwhile municipalities, town panchayats and panchayats that were merged in 2009.

The Chennai Corporation on Thursday held the first meeting for revising the different property tax rates and procedure in calculation of tax being followed in different neighbourhoods of the city.

Officials said a number of complaints had been received from residents in added areas, claiming that property tax rates were high in developing areas when compared with developed parts of the city.

Residents in some neighbourhoods in the recently-added areas, such as Ambattur, have complained that they were

paying more property tax than those in well-developed areas such as T. Nagar that fetch higher rental values, officials said.

Therefore, the civic body has formed a committee of officials to develop a uniform system for calculation of property tax in the entire city. “The general revision of property tax was carried out in 1998 in the old city limits. But the erstwhile local bodies that were merged in 2009 revised the property tax in 2008. This has led to an anomaly,” said an official.

As per the provisions of the Tamil Nadu District Municipalities Act, 1920 and Tamil Nadu Village Panchayat Act, 1994, the property tax basic rates and the calculation procedure have been fixed by the respective councils of the local bodies that were merged in 2009.

Different method

Ambattur and Thiruvottiur zones use a different method of calculation of property tax, when compared with the old city

zones such as Teynampet, Adyar, Royapuram, Tondiarpet, Thiru-Vi.Ka Nagar, Kodambakkam and Anna Nagar.

But multiple methods of calculation is adopted within zones such as Manali, Madhavaram, Valasaravakkam, Perungudi, Alandur and Sholinganallur, creating confusion among residents who have constructed houses or commercial buildings in such areas after 2011.

The Corporation has streetwise basic rates for property tax with discount for owners who occupy their buildings. As the discount is not available for other residents in the merged areas, they have been protesting, said officials. The committee will soon suggest a basic rate for the city, rationalise the tax, following a uniform method of calculation of property tax for the entire 426 sq km of the city.