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Bill for unit-wise levy of profession tax moved

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Company units doing business within local body limits covered

Deputy Chief Minister M.K. Stalin moved the Bill

Also applicable to a Hindu Undivided Family, firm, corporation, other corporate body

CHENNAI: A Bill that envisages payment of profession tax by each branch or unit of a company which transacts business within the limits of a municipal corporation or municipal area was introduced in the Assembly on Monday.

The legislation is also applicable to a Hindu Undivided Family, firm, corporation, other corporate body, society, club and body of persons and to associations that carry out business within the same municipal area or municipality.

According to the statement of objects and reasons of the Bill, the income of a person [or a company] doing the same business in one or more places in the same name within a corporation or a municipality could be clubbed together for the levy of profession tax, which is the income for the benefit of the local bodies

Deputy Chief Minister M.K. Stalin, who handles the portfolio of municipal administration, moved the Bill.

He introduced another Bill, providing for the constitution of Metropolitan Planning Committees.

According to the legislation, in each metropolitan area there would be one such committee to prepare a draft development plan for the area as a whole. The committee would perform functions relating to planning and coordination as notified by the State government.

Not less than two-thirds of the members of the committee would be elected by and from among the elected members of the municipalities and presidents of the panchayats in a given metropolitan area. The State government might notify from time to time the representation of the Union and State governments in the committee.

In preparing the draft development plan, the committee would take into consideration plans prepared by the local bodies; matters of common interest among municipalities and panchayats including coordinated spatial planning of an area, sharing of water and other physical natural resources and integrated development of infrastructure and environmental conservation.

The committee would take into account the overall objectives and priorities set by the Union and State governments and the extent and nature of investments likely to be made in the metropolitan area by agencies of the Union and State governments and other available resources, financial or otherwise.

Each committee would consult institutions and organisations as specified by the State government, while formulating the plan.

The third Bill moved by the Deputy Chief Minister pertained to the levy of property tax on vacant lands which were not used exclusively for agricultural purposes and not occupied by or lies adjacent and appurtenant to buildings, subject to the minimum and maximum rates per square foot fixed by the State government.

At present, the tax rates were based on the capital value of the land.

The Third State Finance Commission had made a recommendation in this regard and the high-level committee on devolution of greater powers to urban local bodies had endorsed it.