

CHECKLIST OF REFORMS

PROPERTY TAX

Name of the ULB : Kolkata Municipal Corporation

DESIRED OBJECTIVES:

Note: JNNURM requires certain reforms to be undertaken by states/ cities in Property Taxes, with the broad objective of establishing a simple, transparent, non-discretionary and equitable property tax regime that encourages voluntary compliance. States/cities need to ensure that their desirable objectives for reforms include these reforms, but need not restrict themselves to these items

1. **CURRENT STATUS**

a. Please indicate if Property tax is currently levied on the following types of properties:

- i. Residential
- ii. Commercial
- iii. Industrial

b. Please indicate the Amount of property tax being collected for year-ending 2004-05

- i. Residential
- ii. Commercial
- iii. Industrial
- iv. **Total : 11967.15 lakh**

c. Please provide the Method of Property Tax Assessment being followed
(Give short note, if necessary)

- i. Self-assessment
- ii. Demand-based

d. Please provide the below information on Current coverage

No.	Type of Property	Estimated no. of properties	No. of properties in the records of the municipality	No. of properties paying property tax	Coverage ratio (4) / (2)	Demand raised	Demand collected	Collection Ratio
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Residential							
2	Commercial							
3	Industrial							
	Total	600000	469165	345578	57.26%	22049.81 Lakh	11967.15 lakh	54.27%

e. Please list the Exemptions given to property owners

No.	Type of Exemption	Qualifying institution/ individual	Revenue implication of exemption
1	Full Exemption	(1) Holdings with the annual valuation of Rs. 500 or less (2) Diplomatic Mission (3) General Government properties (4) Holdings exclusively used for public worship (5) Government and Government aided Educational Institutions (6) Holdings exclusively used for public charity or medical relief or for imparting education to the poor free of charge.	As the amount of these does not consist a considerable share of the revenue income of the ULBs (less than 1% of the total demand), the revenue implication of such exemptions does not affect function of the Municipalities
2	Part exemption	(1) Properties of Ex- Servicemen (25% exemption) (2) In case of excessive vacant and unproductive of rent for ninety or more consecutive days(50% remission on an application from the owner)	

(please use additional rows if necessary)

f. Please provide the Basis of determination of property tax

- i. Capital value
- ii. Rateable value ✓
- iii. Unit Area
- iv. Other (please specify)

g. Please provide the Use of technology in property tax management

- i. GIS of property records ✓
- ii. Electronic database of property records ✓
- iii.
- iv. Any software for compliance

h. Please describe the Level of discretionary power available with assessing authority

West Bengal valuation Board, which is the assessing authority, follows methodology for determination of Annual Valuation of the properties and thereafter statutory stipulation of the clear formula for determination of the rate of Tax(in section 96) keep no scope for exercise any discretionary power in this regard.

i. Please provide the last updation of property records and guidance values

- i. Last updation of property records
- ii. Last revision of guidance values
- iii. Frequency of revision of guidance values

iv. Please indicate whether information from appropriate authorities on new building construction, or additions to existing buildings is being captured; if so, how (e.g. development authority etc)

Yes No

Urban Local Body is the plan sanctioning authority within their jurisdiction limits

vi. Notification

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

vii. Preparation and notification of appropriate subordinate legislation

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

viii. Implementation by municipality (ies)

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

d. Setting up a non-discretionary method for determination of property tax
(e.g. unit area, etc)
(Sub-Steps (i) to (viii) given in para(c) above may be repeated for this step also)

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(Non discretionary method is already in place. However, the process of switching over to Unit area Valuation system has already been initiated and likely to be completed on the 5th year.)

e. Use of GIS-based property tax system

i. Selection of appropriate consultant

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ii. Preparation of digital property maps for municipality

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

iii. Verification of digital maps and preparation of complete data-base of of properties

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

iv. Full migration to GIS system

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

f. Next revision of guidance values

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

g. Fix periodicity for revision of guidance values

i. Periodicity to be adopted

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

ii. Deadline for adoption

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

h. Establish Taxpayer education programme

i. Local camps for clarification of doubts and assistance in filling out forms
(the work has already been entrusted with the ward Committee)

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

ii. Setting up a website for property tax issues/ FAQs etc

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

i. Establish Dispute resolution mechanism

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

j. Rewarding and acknowledging honest and prompt taxpayers

Year1	Year2	Year3	Year4	Year5	Year6	Year7
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

k. Achievement of **85% Coverage** Ratio (see item 1d above)

Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
61.89%	66.51%	71.13%	75.75%	80.38%	85.00%

l. (Specify target for each year of mission)

m. Achievement of **90% Collection** Ratio (see item 1d above)
(Specify target for each year of mission)

Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
60.23%	66.18%	72.14%	78.09%	84.05%	90.00%

n. Any other reform steps being undertaken (please use additional space to specify) Year1 Year2 Year3 Year4 Year5 Year6 Year7