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Property tax collection gains momentum, over Rs. 6.5 crore in MC's kitty

After facing flak from the business community in the beginning, the collection of property tax has eventually gained momentum with the municipal corporation authorities having received more than 20,000 applications in the past 20 days and collected over Rs. 6.5 crore since its implementation on September 20.

According to information, nearly 25,000 tax payers, both common people and commercial unit owners, have already paid their tax.

However, the MC has received only 1,250 applications from residential establishments till November 14.

Indeed, the income generated from property tax will remain one of the main revenue sources for the civic body in future and has been expecting to collect Rs. 20-25 crore per annum through property tax against the house tax collection of Rs.

10-14 crore earlier. Now house tax has been abolished after the implementation of property tax.

Apart from extensive awareness campaigns exhorting people to deposit their tax, a 10% discount scheme on the payment of tax has also turned out to be a lucky freebie for the MC and better repose from taxpayers.

Pertinently, owners of commercial establishments were, in the beginning, reluctant to pay the tax and had observed a complete shutdown here on November 26 to register their protest.

One of the senior MC officials said that they were yet to carry out bifurcation of exact numbers of commercial and residential units which have paid tax.

He said, "Big branded commercial units and owners of residential establishments are showing keen interest in paying their tax, while local commercial traders are still reluctant to pay tax. Fearing stricter action, only small shopkeepers have so far come forward to pay the tax".

Mayor Amarinder Bajaj said though people were willing to pay tax following important changes in tax slabs but commercial unit owners are unnecessarily creating confusion over it.

"Under new slabs, commercial unit owners have to pay less tax than that of house tax but they have failed to understand it so far. The awareness teams have been asked to hold camps in commercial areas to make shopkeepers aware of it and assist them in assessing their property tax", he said.