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Young blood spurs jump in property tax collection

Aloysius Xavier Lopez

On Sunday, when the deadline for payment of property tax ends, the Chennai Corporation would have collected over Rs. 450 crore. This will be the highest annual collection of property tax ever.

The civic body had collected Rs. 436 crore as property tax on the penultimate day. The highest collection achieved so far by the civic body is Rs. 376 crore.

The appointment of a young batch of Assistant Revenue Officers for field-level collection has contributed to the increase. Most of the senior AROs retired last year. The efforts of the Chennai Corporation to employ town criers for creation of awareness and announcement using autorickshaws at the zonal level were other factors.

Up until the end of February, the civic body had collected only Rs. 351 crore. However, the collection improved in March. The civic body identified over 14,000 assesseees who pay a tax of more than Rs.50,000 and focussed on them.

The contribution of the over 250 tax collectors was significant as other modes such as online and bank counters have not been popular this year. Of the 10.71 lakh assesseees, only a few thousands of non-resident Indians, who own properties in the city, used the online facility.

The increase in property tax collection is likely to be higher next year as the Chennai Corporation Council, a few months ago, passed a resolution to increase the property tax for buildings housing IT companies. The increase in the tax rates range from 50 to 200 per cent. The hike has not been implemented so far.

The decision of the Corporation may lead to IT buildings becoming a new category similar to hospitals, star hotels, lodging houses, cinema theatres and marriage halls.