

COUNCIL'S SPECIAL BUDGET MEETING

NO. 09/2023-24

DATE	:	27TH DECEMBER, 2023 (WEDNESDAY)
TIME	:	11-00 A.M.
VENUE	:	3RD FLOOR, COUNCIL ROOM, PALIKA KENDRA, NEW DELHI



**NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA : NEW DELHI**

NEW DELHI MUNICIPAL COUNCIL
PALIKA KENDRA : NEW DELHI

COUNCIL'S SPECIAL BUDGET MEETING NO. 09/2023-24 DATED 27.12.2023 AT 11-00 AM

Arrangement of Business

ITEM NO.	SUBJECT	PAGE	ANNEXURE
01 (Finance) (Part - A)	Revised Estimates 2023-24 and Budget Estimates 2024-25	2 - 4	
01 (Finance) (Part - B)	Determination of Municipal Tax, Rates, Cesses and Rebates for the Financial Year 2024-25 and other related matters.	5 - 8	9 - 12

ITEM NO. 01 (Finance) (Part – A)

1. Name of the Subject/Project

Revised Estimates 2023-24 and Budget Estimates 2024-25.

2. Name of the Department/departments concerned

Finance (Budget) Department

3. Brief history of the Subject/Project

Section 55(1) of the NDMC Act provides as under:

“The Council shall, on or before the 31st day of March of every year, adopt for the ensuing year the budget estimates which shall be an estimate of the income and expenditure of the Council to be received and incurred on account of the Municipal Government of New Delhi.”

Further, National Municipal Accounting Manual (NMAM) prescribed uniform Accounting and Budgeting formats for Urban Local Bodies in India. The Council vide Reso. No. 15 (D-13) dated 26.08.2005 adopted National Municipal Accounting Manual (NMAM) with suitable modifications as per requirement of NDMC, and authorized the Chairperson, NDMC, to effect such modifications/amplifications in consultation with the Financial Advisor, NDMC, as deemed necessary.

Accordingly, Revised Estimates 2023-24 and Budget Estimates 2024-25 in the formats based on the National Municipal Accounting Manual have been appended in two volumes in separate booklets.

4. Detailed proposal on the Subject/Project

The Revised Estimates 2023-24 and Budget Estimates 2024-25 in the formats based on the National Municipal Accounting Manual are placed before the Council for adoption as under:-

(Rs. In Thousands)

Particulars	2022-23 Actuals	2023-24 Budget Estimates	2023-24 Revised Estimates	2024-25 Budget Estimates
1	2	3	4	5
Opening Balance	75009213	77258972	80106473	83313609
Add:				
Revenue Receipts	38946736	42293757	42935067	4443594
Capital Receipts	4081150	5140349	5954210	6252690
Total Receipts(A)	43027886	47434106	48889277	50696284
Less:				
Revenue Expenditure	38562726	36921317	42585478	43952977
Capital Expenditure	1430385	4679882	3096663	4340653
Total Expenditure(B)	39993111	41601199	45682141	48293630

Surplus / Deficit(A-B)	3034775	5832907	3207136	2402654
Net Adjustment for Accruals(+/-)	2062485			
Closing Balance	80106473	83091879	83313609	85716263

5. Financial implication of the proposed Project/Subject

N.A.

6. Implementation schedule with timelines for each stage including internal proceeding.

Regulation 4 and 5 of the NDMC (Budget Estimates) Regulations, 2010, prescribe presentation of revised estimates for the current year and budget estimates for the ensuing year before the Council on or before the 15th day of January each year. Clause (2) of Regulation 5 further prescribes adoption of the revised budget estimates after general discussions by the Council, as far as possible by the 31st day of January of the year.

Section 55 (1) of the NDMC Act, 1994, as well as clause (1) of Regulation 7 of the NDMC (Budget Estimates) Regulations, 2010, prescribe adoption of the budget estimates by the Council on or before 31st of March of every year.

7. Final Comments of the Finance Department on the subject with diary no. & date

Not applicable as the proposal itself is of Finance Department

8. Comments of the department on the final comments of Finance Department.

Not applicable as the proposal itself is of Finance Department

9. Legal Implication of the Subject/Project

NIL

10. Details of previous Council Resolution, existing law of Parliament and Assembly on the subject.

Council vide Resolution No. 1/Finance (Part A) dated 28.12.2022 approved Budget 2023-24.

11. Final Comments of the Law Department on the Subject/Project.

Not applicable as it does not involve any legal aspect.

12. Comments of the Department on the final comments of Law Department

Not applicable as it does not involve any legal aspect.

13. Certification by the Department that all Central Vigilance Commission (CVC) guidelines have been followed while processing the case.

Not applicable.

14. Recommendation

It is recommended that Revised Estimates 2023-24 and Budget Estimates 2024-25 in the format based on the National Municipal Accounting Manual be adopted by the Council.

15. Draft Resolution

Resolved by the Council that Revised Estimates for the year 2023-24 and Budget Estimates for the year 2024-25 in the format based on National Municipal Accounting Manual are adopted.

COUNCIL'S DECISION

Resolved by the Council that Revised Estimates for the year 2023-24 and Budget Estimates for the year 2024-25 in the format based on National Municipal Accounting Manual are adopted.


For Secretary
New Delhi Municipal Council
New Delhi.

27/12/2023

ITEM NO. 01 (Finance) (Part – B)1. Name of the Proposal

Determination of Municipal Tax, Rates, Cesses and Rebates for the Financial Year 2024-25 and other related matters.

2. Name of the Department :

Property Tax Department

3. Proposal for consideration of Council

- (i) As per section-55(2), Council need to determine before 15th Feb., of each year the rates at which various municipal taxes, rates, cesses shall be levied in the next following year.
- (ii) Section 60 of the Act mandates that the Council shall levy certain obligatory taxes specified under Section 60(1) of the Act and may levy certain discretionary taxes as specified under Section 60 (2) of the Act.
- (iii) The agenda for determination of various municipal taxes, rates and cesses is required to be incorporated in the NDMC Budget Agenda for approval of the Council Meeting as per Council Resolution No- 11(Tax) dated 24.08.2022.

03.1 In view of above, the rates of taxes, rates and CESS for the Financial Year 2024-25 has been proposed which are same as last year approved by the council (Approved agenda for last year 2023-24 attached at **Annexure-A See pages 9 - 12**) as under :-

(A) Property Tax

Sl.No	Lands and buildings or part thereof	Rate of Tax
i.	Where the rateable value does not exceeds Rs.10 Lacs	20% of the rateable value
ii.	Where the rateable value exceeds Rs.10 Lacs but does not exceeds Rs.20 lacs.	Rs.2,00,000/- plus 25% of the amount by which the rateable value exceeds Rs.10 lacs.
iii.	Where the rateable value exceeds Rs.20 lacs	Rs.4,50,000/- plus 30% of the amount by which the rateable value exceeds Rs. 20 lacs.

- (B) **Tax on vehicles and animals:** As per Schedule –II of the Act at '**NIL**' rate.
- (C) **Theatre tax:** As per Schedule – III of the Act as '**NIL**' rate.
- (D) **Tax on advertisements other than advertisements published in the Newspapers:** As per Schedule-IV of the Act at maximum rate.
- (E) **Duty on transfer of property:** Duty on transfer of property on the instruments specified in Sec. 93 (2)(b) and on instruments presented for mutation under Sec.74, at the following rate:-

- (a) 3% in case the transferee is a woman to the extent of her share in the property.
- (b) 4% in case the transferees are persons other than women.

(F) Tax on building payable along with the application for sanction of the building plan.

As per Schedule-V of the Act.

(G) Tax on sale or supply of Electricity:

The tax may be @ 5% of tariff fixed by DERC for consumption, sale or supply of electricity or on sale of surplus electricity.

4. Section 124 of the NDMC Act provides that the Council may by resolution passed in this behalf exempt either wholly or in part from the payment of any taxes levied under this Act and any class of person or any class of property or goods. Under this provision, the Council has been giving rebate on the payment of tax and not from the levy of tax. These rebates for the year 2024-25 will be applicable if payment is made upto the pay by dates as decided by the Council as under:-

- (i) A rebate of 50% of the tax calculated on the rateable value upto Rs.5.00 lakh of lands and buildings used or to be used and occupied or to be occupied for residential purposes (Max. Rs. 50,000/-).
- (ii) A self occupancy rebate of 25% of the property tax payable after allowing the rebate at (i) above, in respect of self occupied residential properties singly owned by a Sr. citizen who is sixty years or more in age as on 01.04.2024 or by a women or a physically challenged person. Irrespective of their age or jointly owned by any of these categories (self attested proof is to be provided for claiming rebate).

Provided that aforesaid rebate would not be allowed in respect of those portion of the building owned by such a Sr. citizen or women or physically challenged person which are on rent or is used for commercial purposes.

- (iii) A rebate of 50% of the tax determined on rateable values upto Rs.1.00 Lakh, for properties other than residential properties (Maximum Rs.10,000/-)
- (iv) A rebate of 40% of the tax payable in respect of aided schools and colleges and 20% of tax payable by unaided schools for the lands and buildings owned by Society or Body after deducting the rebate at (iii) above;

Provided that no such rebate shall be available on the portions on rent or used for commercial purposes or occupied for residential purposes by staff (employees);

- (v) 100% exemption from payment of property tax on vacant lands and buildings owned exclusively by war widows, gallantry award winners in Defence Forces, Police and paramilitary Forces as also civilians who have received bravery awards of the highest order from the Government including Annual Bravery Awards given by the Hon'ble President of India, armed force personnel sustained disability between 76% to 100% in a war or war like operations.

Provided that the exemption shall be subject to the condition that:-

- a) The premises in question is in self-occupation for residential use and no portion thereof is let out for any purpose whatsoever;
- b) In case the person concerned has more than one property in Delhi, the exemption shall be applicable to only one property which is permanently used for self- residence.
- c) The benefit of exemption shall be limited to the life time of the person concerned, except where the award has been granted posthumously, in which case the exemption will be granted to the widow of the gallantry award winner limited to the life time of such widow.
- (vi) The rebates would be granted to the tax payers who make payments as per the rateable value indicated in the Assessment List notified by the NDMC to public for the year 2024-25 or as per self assessment whichever is higher and payment received on or before the due date decided by the Council.
- (vii) On the net tax payable, after rebate as above from (i) to (iv), a prompt payment rebate of 10% of the net tax may be allowed, if the tax is paid by 30thJune, 2024 and 5% if the tax is paid after 30thJune, 2024but before 30thSept., 2024;

Provided that the date of payment of tax with rebates can be extended by the Chairperson, generally or in specific case on facts of the case.

All the rebates are subject to payment made by "PAY BY DATE" i.e. the date upto which rebates are applicable, except mentioned at 4(ii), subject to providing self attested proof, the said rebate is applicable up to **31/03/2025**. All other rebates as mentioned in para 4 (i), (iii) and (iv) will be allowed all together and not exclusively, if the payment is made by the date upto which rebates are applicable. The calculation of rebate under para 4(ii) shall be made after deducting para 4(i) rebate.

Provided further that in case of any dispute on the question of grant of rebates under clause (i) to (v), the decision of the Chairperson shall be final.

05. SERVICE CHARGES FOR GOVT. PROPERTIES

Properties of the Union Constructed prior to 26th Jan.-1950 are subject to property tax and those constructed on or after 26th Jan.-1950 are exempt from the levy of property taxes. Under orders of the Govt. of India, as approved by the Hon'ble Supreme Court, Service Charges in the range of 33.33% to 75% are payable on all such properties vide O.M. No.200011(5)/70-Pol.I(PT) dated 21st June, 2006.

06. Financial implication of the proposed subject

This is a statutory requirement.

07. Implementation schedule with timelines for each stage including internal processing.

NA

08. Comments of the Finance Department

NA

09. Comments of the Department on comments of Finance Department

NA

10. Legal implications of the subject/project

This is a legal requirement as per Section 55(2) of NDMC Act 1996. Proposed rates would be effective from 1st April, 2024.

11. Details of previous Council Resolution, existing law or Parliament and Assembly on the subject

In Financial Year 2023-24, the rates and rebates were approved vide **Resolution No.- 01(Finance) (Part-B) dated 28.12.2022** by Council enclosed as Annexure 'A' (See pages 9 - 12).

12. Comments of the Law Department on the subject/project

This is a requirement of statute and as such no legal implications.

13. Comments of the Department on the comments of Law Department

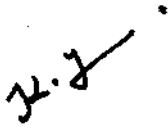
Not Applicable

Recommendations

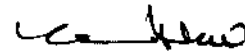
A detailed proposal as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2024-25 is placed before the Council for ratification.

COUNCIL'S DECISION

Resolved by the Council that the detailed proposal, as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2024-25 is approved.



(KRISHNA MOHAN UPPU)
SECRETARY



(AMIT YADAV)
CHAIRPERSON /
PRESIDING OFFICER

08. Comments of the Finance Department

NA

09. Comments of the Department on comments of Finance Department

NA

10. Legal implications of the subject/project

This is a legal requirement as per Section 55(2) of NDMC Act 1996. Proposed rates would be effective from 1st April, 2024.

11. Details of previous Council Resolution, existing law or Parliament and Assembly on the subject

In Financial Year 2023-24, the rates and rebates were approved vide **Resolution No.- 01(Finance) (Part-B) dated 28.12.2022** by Council enclosed as **Annexure 'A'**(See pages 9 - 12).

12. Comments of the Law Department on the subject/project

This is a requirement of statute and as such no legal implications.

13. Comments of the Department on the comments of Law Department

Not Applicable

Recommendations

A detailed proposal as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2024-25 is placed before the Council for ratification.

COUNCIL'S DECISION

Resolved by the Council that the detailed proposal, as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2024-25 is approved.


 For Secretary,
 New Delhi Municipal Council,
 New Delhi.

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Page No. 01 (Finance) (Part - B)

ITEM NO. 01 (Finance) (Part - B)Date of Council Meeting
28-12-20231. Name of the Proposal

Determination of Municipal Tax, Rates, Cesses and Rebates for the Financial Year 2023-24 and other related matters.

2. Name of the Department : Property Tax Department3. Proposal for consideration of Council

- i. As per section-55(2), Council need to determine before 15th Feb., of each year the rates at which various municipal taxes, rates, cesses shall be levied in the next following year.
- ii. Section 60 of the Act mandates that the Council shall levy certain obligatory taxes specified under Section 60(1) of the Act and may levy certain discretionary taxes as specified under Section 60 (2) of the Act.
- iii. Council vide its resolution no. 11(Tax) dated 24.8.2022 has accorded in principle approval for change of Annual Cycle for Assessment and collection of property tax from the Financial year 2023-24 as per **Annexure -A (See pages 9 - 11)**. In accordance with the approval of the council, the agenda for determination of various municipal taxes, rates and cesses is required to be incorporated in the Budget Agenda for approval of the Council Meeting.

Accordingly in view of para-3 above, the rates of taxes, rates and cess for the Financial Year 2023-24 is proposed as under :-

Property Tax

Sl.No	Lands and buildings or part thereof	Rate of Tax
i.	Where the rateable value does not exceeds Rs.10 Lakh	20% of the rateable value
ii.	Where the rateable value exceeds Rs.10 Lakh but does not exceeds Rs.20 lacs.	Rs.2,00,000/- plus 25% of the amount by which the rateable value exceeds Rs.10 lakh.
iii.	Where the rateable value exceeds Rs.20 lakh	Rs.4,50,000/- plus 30% of the amount by which the rateable value exceeds Rs. 20 lakh.

- (B) **Tax on vehicles and animals:** As per Schedule -II of the Act at 'NIL' rate.
- (C) **Theatre tax:** As per Schedule - III of the Act as 'NIL' rate.
- (D) **Tax on advertisements other than advertisements published in the Newspapers:** As per Schedule-IV of the Act at maximum rate.
- (E) **Duty on transfer of property :** Duty on transfer of property on the instruments specified in Sec. 93 (2)(b) and on instruments presented for mutation under Sec.74, at the following rate:-

- 10 - 6

(a) **2%** in case the transferee is a woman to the extent of her share in the property.

(b) **3%** in case the transferees are persons other than women.

(F) Tax on building payable along with the application for sanction of the building plan.

As per Schedule-V of the Act.

(G) Tax on sale or supply of Electricity:

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4. Section 124 of the NDMC Act provides that the Council may by resolution passed in this behalf exempt either wholly or in part from the payment of any taxes levied under this Act and any class of person or any class of property or goods. Under this provision, the Council has been giving rebate on the payment of tax and not from the levy of tax. These rebates for the year 2023-24 will be applicable if payment is made upto the pay by dates as decided by the Council as under:-

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Provided that aforesaid rebate would not be allowed in respect of those portion of the building owned by such a Sr. citizen or women or physically challenged person which are on rent or is used for commercial purposes.
- iii. A rebate of 50% of the tax determined on rateable values upto Rs.1.00 Lakh, for properties other than residential properties (Maximum Rs.10,000/-)
- iv. A rebate of 40% of the tax payable in respect of aided schools and colleges and 20% of tax payable by unaided schools for the lands and buildings owned by Society or Body after deducting the rebate at (iii) above:

Provided that no such rebate shall be available on the portions on rent or used for commercial purposes or occupied for residential purposes by staff (employees);
- v. 100% exemption from payment of property tax on vacant lands and buildings owned exclusively by war widows, gallantry award winners in Defence Forces, Police and paramilitary Forces as also civilians who have received bravery awards of the highest order from the Government including Annual Bravery Awards given by the Hon'ble President of India, armed force personnel sustained disability between 76% to 100% in a war or war like operations.

Provided that the exemption shall be subject to the condition that:-

- a. The premises in question is in self-occupation for residential use and no portion thereof is let out for any purpose whatsoever;
- b. In case the person concerned has more than one property in Delhi, the exemption shall be applicable to only one property which is permanently used for self-residence;
- c. The benefit of exemption shall be limited to the life time of the person concerned, except where the award has been granted posthumously, in which case the exemption will be granted to the widow of the gallantry award winner limited to the life time of such widow.
- vi. The rebates would be granted to the tax payers who make payments as per the rateable value indicated in the Assessment List notified by the NDMC to public for the year 2023-24 or as per self assessment whichever is higher and payment received on or before the due date decided by the Council.
- vii. On the net tax payable, after rebate as above from (i) to (iv), a prompt payment rebate of 10% of the net tax may be allowed, if the tax is paid by 30th June, 2023 and 5% if the tax is paid after 30th June, 2023 but before 31st Sept., 2023;

Provided that the date of payment of tax with rebates can be extended by the Chairperson, generally or in specific case on facts of the case.

All the rebates are subject to payment made by "PAY BY DATE" i.e. the date upto which rebates are applicable, except mentioned at 4(ii) subject to providing self attested proof, the said rebate is applicable up to 31/03/2024. All other rebates as mentioned in para 4 (i), (iii) and (iv) will be allowed all together and not exclusively, if the payment is made by the date upto which rebates are applicable. The calculation of rebate under para 4(i) shall be made after deducting para 4(i) rebate.

Provided further that in case of any dispute on the question of grant of rebates under clause (i) to (v), the decision of the Chairperson shall be final.

05. SERVICE CHARGES FOR GOVT. PROPERTIES

Properties of the Union Constructed prior to 26th Jan.-1950 are subject to property tax and those constructed on or after 26th Jan.- 1950 are exempt from the levy of property taxes. Under orders of the Govt. of India, as approved by the Hon'ble Supreme Court, Service Charges in the range of 33.33% to 75% are payable on all such properties vide O.M. No.200011(5)/70-Pol.II(PT) dated 21st June, 2006

06. Financial implication of the proposed subject

This is a statutory requirement.

07. Implementation schedule with timelines for each stage including internal processing.

NA

08. Comments of the Finance Department

NA

09. Comments of the Department on comments of Finance Department

NA

10. Legal implications of the subject/project

This is a legal requirement as per Section 55(2) of NDMC Act 1996. Proposed rates would be effective from 1st April, 2023.

11. Details of previous Council Resolution, existing law or Parliament and Assembly on the subject

In Financial Year 2022-23, the rates and rebates were approved vide Resolution No.01 (F-01) dated 09.02.2022 by Council enclosed as **Annexure 'B'** (See pages 12 - 15)

12. Comments of the Law Department on the subject / project

This is a requirement of statute and as such no legal implications.

13. Comments of the Department on the comments of Law Department

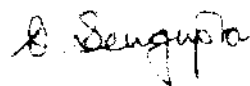
Not Applicable

Recommendations

A detailed proposal as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2023-24 is placed before the Council for ratification.

COUNCIL'S DECISION

Resolved by the Council that the detailed proposal, as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2023-24 is approved



For Secret
New Delhi Municipal Council
New Delhi.

28.12.2022