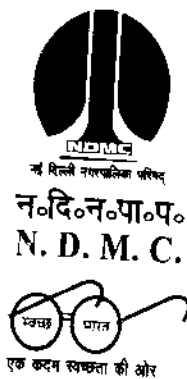


OFFICE OF THE DIRECTOR (TAX)

Sub:- Determination of Municipal Tax, Rates, Cesses and Rebates for the Financial Year 2021-22 and other related matters.



The note of the Senior Account Officer (Tax) from page-236 to 240/N may be perused.

02. The Draft Council Agenda for the Rate Schedule of determination of Municipal Tax, Rates, Cesses and Rebates for the Financial Year 2021-22 has been drafted and placed in the file from page- 358 to 362/C.

03. This Agenda needs to be placed before the Council before **15/02/2021** as per requirement of section-55(2) of the NDMC Act.

04. Chairperson while proposing the Budget for the Financial Year 2021-22 before the Council on 14/01/2021 promised in Budget Speech that **there would be no increase in property tax rates for the Financial Year 2021-22. The Council has already approved the budget proposals along with the Budget Estimate.**

05. In view of above, the Agenda/Rate Schedule is drafted on the same lines as being adopted since last few years and the rebate structure is also on the same lines.

06. This was briefly discussed with the Chairperson, NDMC and he has desired that Agenda may be circulated physically among the Members of the Council for their approval as it is not possible to convene a Council Meeting before 15/02/2021, as of now.

07. As the Agenda would require to be circulated physically, the e-file is already submitted through e-office to the Secretary may be sent back to the Department and this proposal may be approved.

For kind consideration please.

(Signature)
 (MURARI LAL SHARMA)
 Director (Tax)
 04/02/2021

(Signature)
 5/2/2021

(Signature)

H A (CS)

(Signature)

Chairperson

(Signature)

(Signature)
 8/2/2021

Secretary

By Director need to be approved

Dir (CS)

may please see to necessary action

cc- (3) CP to S-PIL

C.No 7163
 In Secretary on 05 Feb 2021
 R/S/S/O/R/Tone
 5/2/2021
 8/2/2021

COUNCIL SECRETARIAT

Ref : Page No. 241/N ante.

Sub : Circulation of agenda to the members of the Council – for approval thereof.

ITEM NO. 01 (F-02)1. Name of the Proposal

Determination of Municipal Tax, Rates, Cesses and Rebates for the Financial Year 2021-22 and other related matters.

2. Name of the Department:

Property Tax Department

3. Proposal for consideration of Council

- (vi) 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.
- (vii) 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.
- (viii) Vide Resolution No.01 (F-02) dated 17.01.2020, Council has determined rates of various municipal taxes, rates and cesses for the year 2020-21 as per Annexure-A (placed on file).
- (ix) Chairperson while proposing the Budget for the Financial Year 2021-22 before the Council on 14/01/2021 stated in Budget Speech that there would be no increase in property tax rates for the Financial Year 2021-22. The Council has already approved the budget proposals along with the Budget Estimate.

03.1 Accordingly in view of para-3 (iv), the rates of taxes, rates and cess for the Financial Year 2020-21 is proposed as under:-

(B) 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) 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:

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 2020-21 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 lacs 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 01.04.2021 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 Lakh, for properties other than residential properties (Maximum Rs.10,000/-)

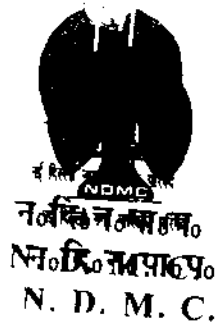
(iv) A rebate of 40% of the tax payable in respect of aided schools and colleges and 20% of tax payable by unaided schools for the lands and buildings owned by Society or Body after deducting the rebate at (iii) above;

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.
- d) 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 2021-22 or as per self assessment whichever is higher and payment received on or before the due date decided by the Council.
- (vi) 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 Sept., 2021 and 5% if the tax is paid after 30th Sept., 2021 but on or before 31st Dec., 2021;

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 31/03/2022. 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 of Jan., 1950 are subject to property tax and those constructed on or after 26th Jan., 1950 are exempted from the levy of property taxes. Properties of the Union are liable to pay service charges 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.

N.A

08. Comments of the Finance Department

N.A

09. Comments of the Department on comments of Finance Department

N.A

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, 2021.

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

In Financial Year 2020-21, the rates and rebates were approved vide Resolution No.01 (F-02) dated 17/01/2020 Resolution No.12 (F-01) dated 28.02.2019 by Council enclosed as Annexure 'A' (placed on file).

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

14. 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 2021-22 is placed before the Council for ratification.

XXX

COUNCIL'S DECISION

A detailed proposal as contained in Paras - 03 to 05 on the Determination of Municipal Taxes, Rates, Cesses and Rebates for the Financial Year 2021-22 is placed before the Council for ratification.

It is also resolved by the Council that the Department may initiate further necessary action in anticipation of confirmation of the Minutes.

Dy. Director (CS) *[Signature]* 8/2/2021
 Director (CS) *[Signature]* 08/02/2021
 Secretary *[Signature]*
 Chairperson *[Signature]* 8/2/2021
 H.A. (CS) *[Signature]* on leave 8/2

[Signature]
 (Vikas Anand)
 Member

(Manisha Saxena)
 Member

[Signature]
 (Kamran Rizvi)
 Member

[Signature]
 (D. Thara)
 Member

[Signature]
 (Govind Mohan)
 Member

[Signature]
 (Virender Singh Kadian)
 MLA/Member

[Signature]
 (Dharmendra)
 Chairperson

[Signature]
 (Meenakshi Lekhi)
 M.P./Member

[Signature]
 (Arvind Kejriwal)
 C.M./Presiding Officer