

### Example:

Consider a residential house and property having covered space of 100 Sq.mtr in a land of 400 Sq.mtr and located abutting road width 2.5 mtr in Ward No. 1.

### Calculation of Property Tax on Building:-

Construct ed Area in sq. mtr	Base Rental (Rs)	Location Factor	Nature of Construction Factor	Usage Factor	Months
100	30	1	1	1	12

Annual Value =  $100 \times 30 \times 1 \times 1 \times 1 \times 12 = \text{Rs. } 36,000/-$

Property Tax @ 10 % of the Annual Value i.e. Rs. 36,000/-  
= Rs. 3600/- ..... (A)

### Calculation of Property Tax on Land:-

Total Covered Area (Sqr. Mtr)	Base Rental Value (Rs.)	Location Factor	Months
100	10	1	12

Annual Value =  $100 \times 10 \times 1 \times 12 = \text{Rs. } 12,000/-$

Property Tax @ 3 % of the Annual Value i.e. Rs. 12,000/-  
= Rs. 360/- .... (B)

Total Property Tax = Tax on Building + Tax on Land

A+B = Rs. 3,600/- + Rs. 360/- = Rs. 3,960/-

### After Discounts the Net Property Tax will be as under:

- Widow Women and Handicapped Persons-25% :Rs. 2,970/-
- All Females (Other than Widow and Handicapped)-10% : Rs. 3,564/-

### After special Rebate of 10% for payment before 30.06.2017, the payable Property Tax will be as under:

- Widow Women and Handicapped Persons 25%: Rs. 2,673/-
- All Females (Other than widow and Handicapped)-10%:Rs. 3,208/-
- Others: Rs. 3,564/-



**B. Eswar Rao**

### Appeal from Chairperson, PBMC

*The Port Blair Municipal Council has introduced the progressive system of Property Tax Assessment based on Unit Area Rental Value. This system has been introduced to bring transparency and fairness in the whole process of property tax assessment. This is very easy, simple and user friendly way of tax calculation with clarity.*

*The Council in its meeting held on 11.03.2017 decided to further reduce the property tax and give discounts for widows, handicapped and females. Accordingly considering public interest at the highest pedestal and to minimum the tax burden, the following further reliefs have been given to the citizens:*

- There will be no Property Tax on vacant land.*
- There will be two categories with base rental value of Rs. 30/- and Rs. 20/-*
- Widow women will get 25% discount, Handicapped persons will get 25% discount and all females will get 10% discount.*
- On advance payment of property tax by 30<sup>th</sup> June, there will be rebate of 10%.*
- As one time measure, citizens will have option to pay earlier dues of property tax by 30<sup>th</sup> June 2017 with above discounts and rebate.*

*The self-assessment form is available in the Revenue Section, Port Blair Municipal council. These can also be downloaded from the website of [www.andaman.gov.in](http://www.andaman.gov.in)*

*The PBMC is making all out efforts to provide enhanced service delivery to make Port Blair a vibrant and world class city.*

*I appeal all the citizens to take full benefit of the Scheme and make it a success.*

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## PORT BLAIR MUNICIPAL COUNCIL

### REVISED UNIT AREA RENTAL VALUE METHOD FOR PROPERTY TAX

Under Section 79 & 80 of A&N Islands (Municipal) Regulation, 1994 read with Port Blair Municipal Council (PBMC) Property Tax Bye-laws, 1999, the PBMC collects property tax on land and building within the municipal limits.

### DEFECTS/DISADVANTAGES OF EXISTING SYSTEM:

- ⇒ Difficulty in assessing expected monthly "rent" in case of self-occupied properties.
- ⇒ Problems of assessing properties like, club, Hotel, Guest House and entertainment place etc.
- ⇒ Disparities in assessing monthly rents which leads to all sort of allegations and complaints.
- ⇒ Scope for misuse of discretionary powers by the Assessing officials.
- ⇒ Scope for collusion between the Assessors and Assess.
- ⇒ Scope for subjective assessments and unfairness. Lack of transparency/fairness in the assessment process.

### BENEFITS/ADVANTAGES OF REVISED THE UNIT AREA SYSTEM:

- ⇒ Transparent, fair, citizen friendly and professional way of assessment.
- ⇒ Simple to understand and need not to visit PBMC office.
- ⇒ Self-assessment and ease of payment.
- ⇒ No discretion with the Assessing Authorities. There is no scope of discrepancy.
- ⇒ Good data base and information systems to enable better tax planning and policy making.
- ⇒ Widely implemented system in most of the Municipalities of the country.

## REVISED UNIT AREA RENTAL VALUE METHOD FOR PROPERTY TAX

### A- FOR BUILDING (Constructed Floor Area)

#### I. Base Rental Value for Building:

Cat	Ward No.	Rate per sq. mtr per month in rupees
I	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 20 & 21	30/-
II	17, 18, 19, 22, 23 & 24	20/-

#### II. Multiplicative factors:

2	Location	Factor value
a).	Land/Property abutting road width 4 mtr or more	1.10
b).	Land/Property abutting road width 2.5 mtr or more but less than 4 mtr	1.00
c).	Other Land/Property	0.90

3	Nature of construction	Factor value
a).	RCC building	1.00
b).	Semi-RCC building (Mix of RCC and Wooden)	0.75
c).	Wooden building & Others	0.50

4	Nature of Usage	Factor value
a).	Residential	1.00
b).	Public use (Office/Bank/ATM/Clinic, Coaching/Tuition centre/Industrial/ Factories/ Workshop. Shops/Shopping complex, Other Commercial purposes (Public entertainment -club etc Restaurant/ Eateries etc not having Bar Licence), Banquet Halls, Hospital (In-patient)	2.00
c).	Cineplex, Lodges having less than 08 rooms and not having kitchen & dining facility, Restaurants with Bar Licence.	5.00
d).	Hotels (3 Star, 4 Star and 5 Star Category)	10.0
e).	Others Hotels/other Lodges	8.00

### B. FOR LAND (Total land area)

#### I. Base Rental Value for Land:-

Cat	Ward No.	Rate per sq. mtr per month in rupees
I	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 20 & 21	10/-
II	17, 18, 19, 22, 23 & 24	8/-

#### II. Multipliative factors:

2.	Location	Factor value
a).	Land/Property abutting road width 4 mtr or more	1.10
b).	Land/Property abutting road width 2.5 mtr or more but less than 4 mtr	1.00
c).	Other Land/Property	0.90

#### Property Tax:

- The rate of Property Tax on Building shall be from 0% to 10% of the Annual Value as per slabs provided in clause-4 (a) of the PBMC Property Tax Bye-Laws notified vide gazette notification dated 16.12.1999 :-

	Annual Value for Building	Tax Rate
1.	Upto Rs.1500/-	Nil
2.	Above Rs.1500/- but upto Rs.3500/-	1.5%
3.	Above Rs.3500/- but upto Rs.5,500/-	3.0%
4.	Above Rs.5,500/- but upto Rs.7,500/-	4.5%
5.	Above Rs.7,500/- but upto Rs.10,000/-	6.0%
6.	Above Rs.10,000/- but upto Rs.25,000/-	7.5%
7.	Above Rs.25,000/-	10.0%

- The rate of Property Tax on Land shall be 3% of the Annual Value as per clause-4 (a) of the PBMC Property Tax Bye-Laws notified vide gazette notification dated 16.12.1999
- Total Property Tax payable shall be sum of (1) & (2) above.

#### Discounts for Residential Properties

The total property tax calculated as per above under the Unit Area Rental Value method, will be subject to following discounts. However eligible person can avail only one of the discounts at a time.

- 25% discount in case of the Residential Property recorded exclusively in the name of widow as per the Revenue Records.
- 25% discount in case of the Residential Property recorded exclusively in the name of handicapped person as per the certificate issued by the Social Welfare Department.
- 10% discount in case of the Residential Property recorded exclusively in the name of a female as per the Revenue Records.

#### Rebate for early payment of property tax on all type of properties

Total property tax minus discount as per above, will be eligible for 10% rebate on payment of property tax in advance of the financial year i.e by 30<sup>th</sup> June. For example to avail this rebate, the property tax for the year 2017-18 need to be paid before 30<sup>th</sup> June 2017 and the property tax for the year 2018-19 needs to be paid before 30<sup>th</sup> June 2018 and so on. This rebate will not be available for payment of earlier dues of property tax.

**Exception:** For the period upto 30<sup>th</sup> June 2017, if some eligible person chooses to clear the past dues of property tax (for 2016-17 and earlier years) under the Revised Unit Area Rental Value method, the rebate of 10% will be available as an exception. There after the rebate of 10% for early payment will not be available for dues of property tax for earlier years.

#### Terms and Conditions :-

- ⇒ The revised Unit Area Rental Value method of assessment will be applicable w.e.f 01.04.2017.
- ⇒ For the period prior to 01.04.2017, the revised Unit Area Rental Value method of assessment can be adopted by the eligible persons as their choice. Accordingly those persons who have not yet paid property tax for the year 2016-17 or of earlier years, they may either pay as per the existing system (where the assessor will visit and calculate the tax) or may avail following options:
  - i) In case of hotels to have self-assessment as per the revised Unit Area Rental value method of assessment and clear the dues by 30.06.2017 with interest @12% per annum from 01.01.2011 onwards.
  - ii) In case of other properties to have self-assessment as per the revised Unit Area Rental Value method of assessment and clear the dues by 30.06.2017.
- ⇒ Those persons, who have already paid their applicable property tax, are not eligible for re-assessment and claim of refund.

All concerned may down load the self-assessment form from the website of [www.andaman.gov.in](http://www.andaman.gov.in). Further the self-assessment forms can also be obtained from the Revenue Section, Port Blair Municipal Council on any working day.