

THE DELHI MUNICIPAL CORPORATION (PROPERTY TAXES) BYE-LAWS, 2004

Contents

1. Short title and commencement	2
2. Definitions	2
3. Physically challenged persons	2
4. Tax on vacant land.....	2
5. Guidelines to determine use of vacant lands and buildings for agricultural purposes under clause (i) of sub-section (1) of section 115	2
6. Guidelines to determine use of vacant lands and buildings for the purpose of public charity under clause (iv) of sub-section (1) of section 115. -	3
7. Register for exempted properties.....	3
8. Fee for furnishing information by the Corporation regarding apportionment of property tax.....	3
9. Definitions of use-wise categories of buildings	3
10. Specification of categories of streets for the purpose of classification of vacant lands and buildings into colonies and groups. -For the purpose of clause (g) of sub-section (1) of section 116A, streets in Delhi shall be categorized as follows:	5
11. Structural characteristics of buildings	5
12. Age-wise grouping of buildings	5
13. Procedure for hearing and disposal of objections by Municipal Valuation Committee under sub-section (2) of section 116C.....	5
14. Other spaces to be included in covered space in relation to building	6
15. Conditions subject to which total area of covered space of building shall be certified	6
16. Procedure for functioning of the Hardship and Anomaly Committee under sub-section (4) of section 116K.....	6
17. Levy of service charge in slums	7
18. Form and manner of submission of return under section 123A(1)	7
19. Form of furnishing return self-assessment to Commissioner.....	7
20. Maintenance of Municipal Assessment Book under section 124.....	7
21. Assignment of identification code numbers and manner of its notification under sub-sections (1) and (2) of section 125	8
22. Time and manner of payment of property tax under sub-section (1) of section 152 ...	8
23. Appointment of agency for administration of property tax	9
24. Repeal and savings	9

The following Bye-laws called the Delhi Municipal Corporation (Property Taxes) Bye-laws, 2004 made by the Municipal Corporation of Delhi under sub-section (1) of section 481 read with section 483 of the Delhi Municipal Corporation Act, 1957 (66 of 1957), as amended by the Delhi Municipal Corporation (Amendment) Act, 2003, (Delhi Act 6 of 2003), after previous publication and with the prior approval of the Government of National Capital Territory of Delhi are hereby published for general information, namely:

1. Short title and commencement

(1) These bye-laws may be called the Delhi Municipal Corporation (Property Taxes) Bye-laws, 2004.

(2) They shall come into force with effect from the date of their publication in the Delhi Gazette.

2. Definitions

(1) In these bye-laws

(a) "Act" means the Delhi Municipal Corporation Act, 1957 (66 of 1957); (b) "Form" means a form appended to these bye-laws;

(c) "notification" means a notification published in the Delhi Gazette; (d) "section" means a section of the Act;

(e) "tax" means property tax, that is to say, a building tax or a vacant land tax or both.

(2) Words and expressions used in these bye-laws and not defined, but defined in the Act, shall have the meanings respectively assigned to them in the Act.

3. Physically challenged persons

For the purpose of section 114B, "Physically challenged person" shall mean a person with disability as defined in clause (t) of section 2 of the persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995, (1 of 1996) who has been issued a certificate by the prescribed authority under the said Act.

4. Tax on vacant land

For the purposes of the proviso to section 114 C, if the construction on the ground floor is twenty-five per cent or more of the plot area, no vacant land tax shall be levied. In a case where such construction is less than the above-said percentage, vacant land tax shall be levied at such a rate as determined by the Corporation within the range prescribed in the Act.

5. Guidelines to determine use of vacant lands and buildings for agricultural purposes under clause (i) of sub-section (1) of section 115

Any vacant land or building shall be deemed to be used for agricultural purposes, if such land or building is situated in the agricultural or rural zone in accordance with the provisions of the Master Plan for Delhi in force, and if

- such land is used in accordance with the science or practise of farming, including cultivation of the soil for the growing of crops and the rearing of animals to provide food, wool, and other agricultural products, or

- such building is used solely or partly for the storage of crops, or food, wool, and other agricultural products, or for sheltering animals, as aforesaid:

Provided that no vacant land which is appurtenant to a farmhouse shall be construed as agricultural land, and such land shall be liable to property tax.

6. Guidelines to determine use of vacant lands and buildings for the purpose of public charity under clause (iv) of sub-section (1) of section 115. -

Any vacant land or building or portion thereof used exclusively for the purpose of housing an orphanage or an institution providing relief to physically or mentally challenged persons or for providing medical relief or education to the poor, free of cost without any motive to earn profit shall be deemed to be used for public charity.

7. Register for exempted properties

The register to be maintained by the Commissioner under sub-section (2) of section 115 showing the vacant lands and buildings exempted from the property tax under the said section shall be in Form Al. and Form All respectively.

8. Fee for furnishing information by the Corporation regarding apportionment of property tax

The processing fee for furnishing any information to an owner, lessee, sub-lessee, or occupier of any vacant land or building under sub-section (7) of section 115A, regarding the apportionment of the property tax on such vacant land or building among the several occupiers of such vacant land or building for the current period of assessment or for any preceding period of assessment shall be one hundred rupees per assessee for each period of assessment.

9. Definitions of use-wise categories of buildings

For the purposes of clause (f) of sub-section (1) of section 116 A, the use-wise

(A) "residential building" shall mean any building used for dwelling purposes by a family/families/individual but excludes any premises for commercial use including lodging, guest house, hotel or similar purposes:

(B) "business building" shall mean any building or part thereof used for transaction of business or for keeping of accounts and records or for similar other purposes, and such buildings shall include

(i) offices (other than offices of Central Government, State Government and local bodies), banks, professional establishments, court houses, and libraries for the principal function of transaction of public business and keeping of books and records;

(ii) office buildings (premises) solely or principally used as office or for office purpose; and

(iii) one and two star hotels, restaurants, lodges and guest houses; (c) "mercantile building" shall mean any building or part thereof used as shops, stores or markets for display or sale of merchandise, either wholesale or retail, or for office, storage or service facilities incidental to the sale of merchandise and located in the same building, and such buildings shall include establishments wholly or partly engaged in wholesale trade, manufacturer's whole-sale outlets (including related storage facilities), warehouses, and establishments engaged in truck transport (including truck transport booking agencies), and subscriber trunk dialing and international subscriber dialing booths;

(D) "building for recreation and sports purposes" shall mean any building or part thereof where groups of people congregate or gather for amusement or recreation or for sports, or similar other purposes, and such buildings shall include theatres, motion picture houses, drive-in-theatres, assembly halls, city halls, town halls, auditoria, exhibition halls, museums, baratghars, skating rings, gymnasia, dance halls, club rooms, gymkhanas, health and sports clubs, bowling alleys, stadia, and recreation piers;

(E) "industrial building" shall mean any building or structure or part thereof in which products or materials of all kinds and properties are fabricated, assembled or processed as in assembly plants, and

such buildings shall include laboratories, power plants, smoke houses, refineries, gas plants, mills, dairies, factories, workshops, automobile repair garages, and printing presses, but the portion of the building for purposes other than purposes specified in this clause shall be assessed separately according to its use;

(F) "hazardous building" shall mean any building or part thereof used, for the storage, handling, manufacture or processing of radioactive substances or of highly combustible or explosive materials or products, which are liable to burn with extreme rapidity or which may produce poisonous fumes or explosions during storage, handling manufacture or processing or which involve highly corrosive, toxic or noxious alkalis, acids or other liquids, gases or chemicals producing flames, fumes, explosions or mixtures of dust or which result in the division of matter into fine particles subject to spontaneous ignition;

(G) "hospital and nursing home" shall mean any establishment running under the licence of hospital or nursing home, as the case may be, from a competent authority, other than those covered by clause (iv) of sub-section (1) of section 115 of the Act and clause (ii) of item (I) of Bye-law 9 of these Bye-laws;

(H) "education buildings" shall means any building or structure or part thereof, used as a school, college or other educational purpose other than those covered by clause (iv) of sub-section (1) of section 115 of the Act and clause (i) of item (I) of Bye-law 9 of these Bye-laws;

(I) "public purpose" shall include

(i) the purposes of education intended to be imparted by a Central Government school or State Government school, or a school wholly aided by the Central Government or the State Government, or a municipal school, or any other educational institution run by a registered society making no profit or a public charitable trust spending its income for the benefit of public or students, charging students with a small or nominal fee and the fee being charged by such schools may not exceed such amount as may be specified by the Corporation from time to time as per laid down procedure, provided that the income or profit if any, of such an institution is in total redeployed and ploughed back for its expansion and improvement and no part thereof is in any way diverted for any other purpose whatsoever,

(ii) the purposes of public health, medical treatment, culture, or sports, ensured or organized by Government institutions or institutions wholly aided by the Government or the Corporation, or any other public institution such as a society making no profit, or a public charitable trust spending its income for the benefit of public, or patients, or sports persons, or similar other persons, charging them with a small or nominal fee and the fee being charged not to exceed such amount as may be specified by the Corporation from time to time as per laid down procedure, provided that the income or profit, if any, of such an institution is in total redeployed and ploughed back for its expansion or improvement and no part thereof is in any way diverted for any other purpose whatsoever,

(iii) the purposes of offices of the Central Government, State Government and local bodies (other than offices of Government company or a statutory corporation which has a corporate personality of its own),

(iv) the purposes of socio-cultural complex, old age houses and students' hostels run by educational institutions. Central Government, State Government or registered societies recognised by the Corporation.

(J) "farmhouse" shall mean a farmhouse as defined in the Master Plan for Delhi 2001;

(K) "star hotels" shall mean hotels classified as three star and above by the Ministry of Tourism,

Government of India;

(L) "towers" shall include TV towers, cable towers, telecom towers or any other tower erected on the surface or top or on any other open space of a building;

(M) "hoardings" shall mean large boards used to display advertisements, erected on poles, on the ground or on a building;

10. Specification of categories of streets for the purpose of classification of vacant lands and buildings into colonies and groups. -For the purpose of clause (g) of sub-section (1) of section 116A, streets in Delhi shall be categorized as follows:

- (1) Category I street width of 24 metres and above,
- (2) Category II street width of 13.5 metres and above but less than 24 metres, and
- (3) Category III street width of less than 13.5 metres

11. Structural characteristics of buildings

For the purpose of clause (h) of sub-section (1) of section 116A, buildings shall be classified as pucca, semi-pucca, or katcha, in the following manner:

- (1) Pucca-building with load bearing roof.
- (2) Semi-pucca-building having a non-load bearing temporary roof (3) Katcha-buildings using temporary materials for walls and roof.

12. Age-wise grouping of buildings

For the purposes of clause (i) of sub-section (1) of section 116A, buildings shall be grouped age-wise as under:-

- (1) Group A Buildings-constructed prior to 1960
- (2) Group B Buildings-constructed between 1960-69 (3) Group C Buildings-constructed between 1970-79 (4) Group D Buildings-constructed between 1980-89 (5) Group E Buildings-constructed between 1990-99
- (6) Group F Buildings-constructed in 2000 and beyond.

13. Procedure for hearing and disposal of objections by Municipal Valuation Committee under sub-section (2) of section 116C

(1) The Municipal Valuation Committee shall, while considering any objection submitted under sub-section (1) of section 116C, issue a notice, either in writing or by publication, to the person or group of persons submitting the objection, directing him or them to appear before the Committee with all relevant papers and evidence in support of the objection for a hearing:

Provided that the Committee may club together the objections received from a particular colony or group of persons or objections of similar nature and may, by notice, direct such group of persons to appear before the Committee.

(2) The Committee after having heard the objections individually or in groups and having considered supporting evidence produced relating to such objections shall forward its recommendations thereon to the Corporation.

(3) Two-third members of the Committee (including the Chairperson) shall constitute a quorum

for a meeting of the Committee.

(4) In the case of any difference of opinion amongst the members of the Committee on any point arising in course of disposing of any objection, the decision of the majority of the members present shall be final. In the case of equality of votes, the Chairperson shall have a casting vote.

(5) In case any colony is left out or it comes up subsequent to the submission of the report of the Municipal Valuation Committee, its classification shall be decided by the Commissioner, which shall hold good till the recommendation in this regard is made by the succeeding Municipal Valuation Committee.

(6) The Committee shall decide the manner of transaction of its business.

14. Other spaces to be included in covered space in relation to building

In addition to the covered spaces specified in the Explanation to sub-section (1) of section 116 E, the covered space in relation to a building shall also include basements, mezzanine floors, barsatis and stilts meant for parking and TV/Telecom towers and hoardings erected on the surface or top or any other open space of a building.

Explanation.-In case of buildings with common areas/services shared by more than one owner/occupant, it shall be divided proportionately according to the covered area enjoyed by the owner/occupier. A fire escape (staircase) added subsequently to a building, loft floor, refuse areas in multi-storeyed buildings, shall not be counted towards covered area calculation. In the case of TV /Telecom and other such towers, the covered area shall include the area covered by the extremities of foundation multiplied by the total height, while in the case of hoarding, covered area shall mean the square of extremities of the poles on which hoardings are erected plus the area of the hoarding.

15. Conditions subject to which total area of covered space of building shall be certified

(1) Any architect registered under the Architects Act, 1972 (20 of 1972) or any licensed architect may register himself with the Corporation for the purpose of providing a certificate under sub-section (2) of section 116E.

(2) Every such architect registered shall be given a specific registration number.

(3) Every certificate shall carry the registration number of the architect.

(4) The scale of fees to be charged by any architect for providing such certification shall be such as may be notified by the Corporation.

(5) The cost of certification shall be paid to the architect by the owner or occupier of the covered space of any building certified.

(6) Where any architect is found to charge fee in excess of the scale of fee notified by the Corporation or where such architect issues a false certificate of the covered area, the registration of such architect shall, subject to the provisions of the Architects Act, 1972 (20 of 1972), stand cancelled and he shall also be debarred from registration by the Corporation for a period of five years, and the Corporation shall not assign any work to him during such period.

16. Procedure for functioning of the Hardship and Anomaly Committee under sub-section (4) of section 116K

(1) The Hardship and Anomaly Committee shall meet from time to time to dispose of any petition received from any group of affected persons referred to in sub-section (3) of section 116K.

(2) Any three members (including the Chairperson of the Committee shall constitute a quorum for a meeting of the Committee.

(3) In the case of any difference of opinion amongst the members of the Committee on any point arising in course of deciding any petition, the decision of the majority of the members present shall be final. In the case of equality of votes, the Chairperson shall have a casting vote.

(4) The Committee shall decide the manner of transaction of its business.

17. Levy of service charge in slums

The amount of service charge on the aggregate area of land or covered space of building in any slum or any resettlement colony under sub-section (1) of section 120A shall be calculated by dividing the actual cost of service by the number of dwelling units in the slum or resettlement colony, as the case may be, and such service charge so calculated may be divided by twelve for arriving at the monthly rate of service-charge to be levied.

18. Form and manner of submission of return under section 123A(1)

The return under sub-section (1) of section 123A shall be furnished to the Commissioner within sixty days from the date of publication of the notice or the date of notice as the case may be, in Form B.

19. Form of furnishing return self-assessment to Commissioner

(1) The return of self assessment under sub-section (5) of section 123B shall be furnished to the Commissioner in Form C.

(2) For the purposes of the first proviso to sub-section (9) of section 123B, the suppression of any material fact in the return of self-assessment submitted under sub-section (5) of that section; resulting in the payment of an amount of tax which is lower than the amount of the tax determined in the final assessment, shall be deemed to be wilful suppression of fact, regardless of the consequences or effects of such suppression.

(3) For the purposes of the third proviso to sub-section (9) of section 123B, the Commissioner

(a) on receipt of the return of self-assessment as aforesaid, may, if necessary, send a notice, in writing, to the owner or the occupier or the other person as the case may be, directing him to appear before him either in person or through an authorised representative, with all necessary documents in support of the return of self-assessment, and

(b) after giving the owner or the occupier or the other person, as the case may be, an opportunity of being heard, may pass such order determining the tax and the penalty or refund, if any, as he may think fit.

(4) For the purposes of the second proviso to sub-section (10) of section 123B, the Commissioner may, after giving the owner or the occupier or the other person, as the case may be, an opportunity of being heard, pass such order determining the tax and penalties, if any, as he may think fit.

20. Maintenance of Municipal Assessment Book under section 124.

(1) The Corporation shall maintain a Municipal Assessment Book in Form D and also maintain the same in electronic form.

(2) The Commissioner may, at any time, amend the Municipal Assessment Book, and also the corresponding electronic form, after giving the affected person reasonable opportunity of being heard, if

(a) he has reason to believe that there are patent errors or omissions in respect of any entry in the Municipal Assessment Book, or

(b) there are defects in the Municipal Assessment Book on the face of any documentary evidence, or

(c) any change is required to be made in the Municipal Assessment Book in accordance with the provisions of the Act.

21. Assignment of identification code numbers and manner of its notification under sub-sections (1) and (2) of section 125

(1)(a) Under sub-section (1) of section 125, the property identification code number by which any premises in any area within the jurisdiction of the Corporation may be known, shall be fixed in the following manner:

- (i) the first three digits shall indicate the ward number in numerical form,
 - (ii) the next four digits shall indicate the colony number in numerical form.
 - (iii) the next six digits shall indicate the premises number in alphanumerical form, and
 - (iv) the next two digits shall indicate the sub-number of premises in numerical form.
- (b) the colonies in Delhi shall be serially numbered.

(2) Upon the determination of the identification code numbers in respect of the premises in any ward of the Corporation, the Commissioner shall publish such property identification code numbers in the prominent local newspapers in English and two local languages for three consecutive days, besides putting such property identification code numbers on the website, and the owner and the occupier of such premises shall be informed individually.

(3) Every person shall, while making any communication, in writing, to the Corporation on any matter under any provision of the Act, mention in such communication the relevant property identification code number in addition to the address of the person by whom, or on whose behalf, such-communication is made.

22. Time and manner of payment of property tax under sub-section (1) of section 152

(1) Subject to the provisions of the Act, any tax levied under section 114A and section 114C shall become due on the first day of April of each financial year and shall be paid either in lump sum or in quarterly instalments by cash or account payee cheque or Demand Draft or through internet banking with the following endorsement:

- (i) property tax for the period from to..... in respect of property bearing identification code number owned/occupied by
- (ii) Paid in lump sum or quarterly instalment for the quarters ending June or September or December or March, and
- (iii) Paid in cash or by Cheque or by Demand Draft or through Internet Banking.

(2) (i) In the event of the tax being paid in one lump sum, the tax shall be paid by 30th day of June of the financial year and in that case rebate of such percentage not exceeding fifteen percent as

may be notified by the Corporation, of the total tax amount due shall be allowed.

(ii) In the case of payment in quarterly instalments, the tax shall be paid in equated instalments by 30th day of June, 30th day of September, 31st day of December and 31st day of March of the financial year for which tax is paid.

(3) The Corporation shall grant a receipt in such form as the Corporation may determine in respect of every such payment.

(4) The Corporation may, by notification, provide that the payment of any such tax may be made through such Citizens' Welfare Association, Schedule bank, person or other agency as the Corporation may, from time to time, specify by notification and may also be paid by credit card or through electronic media.

23. Appointment of agency for administration of property tax

(1) For the purpose of appointment of one or more agencies for administration of property tax for all or any of the functions under sub-section (1) of section 172A, the Commissioner shall, by notice published in the local newspapers in English and two local languages, invite applications from such Citizens Welfare Associations as are recognized by the Corporation and also from such Scheduled banks, persons, and other agencies as are willing to be registered with the Corporation for such purpose.

(2) The Commissioner shall, subject to the approval of the Standing Committee, appoint such number of such Citizens' Welfare Associations, Scheduled banks, persons, or other agencies; as aforesaid, as the Commissioner may consider necessary, and for such period, and on such conditions as the Commissioner. may think fit.

(3) Upon appointment of any Citizens' Welfare Association, Scheduled bank, person, or other agency for the purpose as aforesaid, the Commissioner shall allot a registration number to each such Citizen's Welfare Association, Scheduled bank, person, or other agency, as the case may be.

(4) The jurisdiction of each appointee shall be such as the Commissioner may consider administratively convenient.

(5) For the purpose of sub-section (2) of section 172A, each of such Citizens' Welfare Associations, Scheduled banks, persons, or other agencies, as the case may be, shall be paid such charges for all or any of the functions referred to in sub-section (1) of section 172A as the Corporation may, by notification, specify from time to time.

24. Repeal and savings

As from the date of the enforcement of these Bye-laws,

(1) the Delhi Municipal Corporation (Assessment List) Bye-laws, 1959;

(2) the Delhi Municipal Corporation (Property Taxes) Bye-laws, 1959;

(3) the Delhi Municipal Corporation (Determination of Rateable Value) Bye-laws, 1994; and

(4) the Delhi Municipal Corporation (Property Tax Return) Bye-laws, 1994, shall stand repealed.