

## **GHMC nets Rs.634 cr. property tax**

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*Host of initiatives help in garnering the record revenue*

The Greater Hyderabad Municipal Corporation (GHMC) annual property tax collection for the financial year of 2011-2012 has swelled to Rs.634 crore by Saturday midnight, a high of more than Rs.150 crore when compared to the last year's collection.

Notwithstanding the government's last minute waiving of the penal interest rate on the tax arrears at least Rs.100 crore was collected in the last month alone while more than Rs.50 crore was mopped on the last day of the financial year. A host of administrative and other initiatives by Commissioner M.T. Krishna Babu has helped in garnering the record revenue.

First decisive step taken was to send revised demand notices to the old properties built before 2007 once the government removed the 50 per cent cap put on the tax raise. It led to huge outcry and criticism from owners of old commercial constructions as overzealous officials also clubbed a 25 per cent surcharge on unauthorised constructions in several of them.

Personal inspections by senior officials has had a calming influence on the controversy generated to some extent as some of the demand notices were further revised on verifying building permissions and the clearances obtained under the Building Penalisation Scheme (BPS). A good Rs.100 crore was easily obtained from about 1.5 lakh properties on this account, senior officials admit.

Then a relentless campaign targeting the top 1,000 defaulters was taken up with Mayor Majid Hussain too pitching in. High end properties like major hotels, corporate hospitals and others were divided into the annual fee bands and checked afresh netting another Rs.50 crore as it was realised there was gross under-assessment of the tax rates.

Cross-checking properties making payments between Rs.3 lakh to Rs.5 lakhs got another Rs.10 crore.

Census information too helped a great deal in assessing property tax rates for the second successive years as officials could co-relate the available municipal data with it.

Large-scale transfers of bill collectors after many years and equipping most of them with hand-held Personal Digital Assistants (PDAs) too worked to a large extent as it provided real-time data and assisted in rectifying errors, even old ones.