



GOVERNMENT OF KERALA

Abstract

Local Self Government Department - Existing rate of Property Tax in Urban Local Bodies - Reassessment on the basis of the fair value of the land in Urban Local bodies – to make the State eligible for additional borrowing of 2% of Gross State Domestic Product (GSDP) – Orders issued.

LOCAL SELF GOVERNMENT (RD) DEPARTMENT

G.O (Ms) No. 34/2021/LSGD Dated, Thiruvananthapuram, 12/02/2021

Read:-

1. G.O (P)No.17/2011/LSGD dated 14.01.2011.
2. Letter No.F.No.40(06)/PF-S/2017-18 /Vol.V dated 17.05.2020 from the Joint Director (PF-S) , Ministry Of Finance ,Government of India.
3. Minutes of the meeting held on 22.06.2020 presided by the Hon'ble Chief Minister.
4. Minutes of the Video Conference held on 20.10.2020
5. Letter No.G1/20525/2020 dated 28/12/2020 from Director of Urban Affairs.

ORDER

In order to compensate the loss occurred to the Central and State Governments due to the Covid 19 pandemic, Ministry of Finance, Government of India had allowed additional borrowing of 2% (including 1% unconditional borrowing) of GSDP to the States for the financial year 2020-21 subject to the implementation of certain State Level reforms, which includes reforms for Strengthening Local Bodies (Urban Local Body/utility reforms).

2. As per the minutes read as 3rd paper above, it was decided to derive a formula for re-assessment of property tax, as a part of implementing reforms in the sector.

3. The Director of Urban Affairs had prepared and submitted a proposal for the assessment of property tax on the basis of the fair value of the land, vide the letter read as 5th paper above.

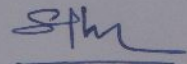
4. Government have examined the proposal in detail and are pleased to notify the reassessment of the property tax in Municipalities based on the fair value of the property in order to make the state eligible for additional borrowing of 2% of GSDP. The rate of property tax shall be fixed on the basis of fair value for each category of building in accordance with the use of buildings, as per the chart appended to this order.

5. The annual upward revision in the rate of tax shall be by 5% or hike in Consumer Price Index, whichever is lower, in each case, from second year onwards as per the existing rules.

(By order of the Governor)
Bishwanath Sinha
Principal Secretary.

To The Joint Director (PF-S), Ministry Of Finance ,Government of India
(with Covering Letter)
The Director Of Urban Affairs,Thiruvananthapuram.
All Municipal/Municipal Corporation Secretaries (through the
Director Of Urban Affairs)
All Regional Joint Directors (Through the Director Of Urban Affairs)
The Director, Information Kerala Mission (For publishing in the
Official Website of LSGD and the website of Government)
The Director, KILA/Finance (Planning -A) Department.
Finance (Planning-A) Department
Industries Department
Stock File / Office Copy.

Forwarded /By order



Section Officer.

APPENDIX

Basic tax rates to be determined on the basis of fair value for buildings belonging to each utility category

I The rates applicable to Municipalities are given below.

A. Residential purpose

Sl.No	Fair value of the property	Basic property tax rate
1	Upto 100000	6
2	100001 to 250000	8
3	250001 to 500000	9
4	500001 to 750000	11
5	750001 to 1500000	12
6	Above 1500001	14

B. For commercial purposes - Hotels, Restaurants, Shops, Godowns having plinth area upto 100 sq.m

Sl.No	Fair value of the property	Basic property tax rate
1	Upto 100000	40
2	100001 to 250000	50
3	250001 to 500000	60
4	500001 to 750000	65
5	750001 to 1500000	70
6	Above 1500001	80

C. For commercial purposes - Hotels, Restaurants, Shops, Godowns having plinth area above 100 sq.m

Sl.No	Fair value of the property	Basic property tax rate
1	Upto 250000	70
2	250001 to 500000	75
3	500001 to 750000	80
4	750001 to 1000000	85
5	Above 1000001	90

D. For commercial purposes - Supermakets, Shopping malls having plinth area upto 200 sq.m

SI No	Fair value of the property	Basic property tax rate
1	Upto 100000	50
2	100001 to 250000	55
3	250001 to 500000	60
4	500001 to 750000	65
5	750001 to 1500000	70
6	Above 1500001	75

E. For commercial purposes - Supermakets, Shopping malls having plinth area above 200 sq.m

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	90
2	250001 to 500000	100
3	500001 to 750000	120
4	750001 to 1500000	130
5	Above 1500001	140

F. For commercial purpose Bunks, Petty shops, Computer centre, Fuel stations

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	40
2	250001 to 500000	55
3	500001 to 750000	60
4	750001 to 1000000	65
5	Above 1000001	70

G. For office purpose (including office buildings appurtenant to factories)

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	40
2	250001 to 500000	50
3	500001 to 1000000	60
4	Above 1000001	70

H. Industrial Purpose (Handloom shed, Coir spinning shed)

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	15
2	250001 to 500000	20
3	500001 to 1000000	25
4	Above 1000001	30

I. Required for other Industries

SI No	Fair value of the property	Basic property tax rate
1.	Upto 250000	50
2.	250001 to 500000	55
3.	500001 to 750000	60
4.	750001 to 1000000	65
5.	Above 1000001	70

J. Educational purpose

SI No	Fair value of the property	Basic property tax rate
1	Upto 100000	6
2	100001 to 250000	8
3	250001 to 500000	10
4	500001 to 1000000	12
5	Above 1000001	15

K. Hospitals

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	8
3	250001 to 500000	12
4	500001 to 1000000	14
5	Above 1000001	15

**L. Assembly building, Convention centre, Auditorium, Kalyana mandapam,
Lodge, Cinema theatre**

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	30
2	250001 to 500000	40

3	500001 to 750000	45
4	Above 750001	50

M. Resorts

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	80
2	250001 to 500000	85
3	Above 500001	90

N. Amusement Park

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	30
2	250001 to 500000	40
3	Above 500001	50

O. Mobile tower

SI No	Fair value of the property	Basic property tax rate
1	Upto 1500000	500
2	Above 1500001	600

P. Buildings of Industrial units registered under Micro Small Medium Enterprises Development Act

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	30
2	250001 to 500000	35
3	500001 to 1000000	40
4	Above 1000001	45

II The rates applicable to Municipal Corporations are given below.

A. For residential purposes

SI No	Fair value of the property	Basic property tax rate
1	Upto 100000	12
2	100001 to 500000	14
3	500001 to 1000000	15
4	Above 1000001	16

B. For commercial purposes - Hotels, Restaurants, Shops, Godowns having plinth area upto 100 sq.m

Sl No	Fair value of the property	Basic property tax rate
1	Upto 100000	60
2	100001 to 500000	70
3	500001 to 1000000	80
4	Above 1000001	90

C. For commercial purposes - Hotels, Restaurants, Shops, Godowns having plinth area above 100 sq.m

Sl No	Fair value of the property	Basic property tax rate
1	Upto 250000	90
2	250001 to 500000	100
3	500001 to 750000	105
4	Above 750001	110

D. For commercial purposes - Supermakets, Shopping malls having plinth area upto 200 sq.m

Sl No	Fair value of the property	Basic property tax rate
1	Upto 250000	70
2	250001 to 500000	75
3	500001 to 750000	80
4	Above 750001	90

E. For commercial purposes - Supermakets, Shopping malls having plinth area above 200 sq.m

Sl No	Fair value of the property	Basic property tax rate
1	Upto 500000	140
2	Above 500001	150

F. For commercial purpose Bunks, Petty shops, Computer centre, Fuel stations

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	60
2	250001 to 500000	75
3	500001 to 750000	80
4	Above 750001	90

G. For office purpose (including office buildings appurtenant to factories)

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	70
2	250001 to 500000	75
3	Above 500001	80

H. For Industrial purpose (Handloom shed, Coir spinning shed)

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	25
2	250001 to 1000000	30
3	Above 1000001	40

I. Required for other industries

SI No	Fair value of the property	Basic property tax rate
1	Upto 500000	70
2	500001 to 750000	80
3	Above 750001	90

J. Educational Purposes

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	15
2	250001 to 500000	16
3	500001 to 1000000	17
4	Above 1000001	20

K. Hospitals

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	15

2	250001 to 500000	16
3	500001 to 750000	17
4	Above 750001	20

L. Assembly building, Convention centre, Auditorium, Kalyana mandapam,
Lodge, Cinema theatre

SI No	Fair value of the property	Basic property tax rate
1	Upto 750000	50
2	Above 750001	60

M. Resorts

SI No	Fair value of the property	Basic property tax rate
1	Upto 2500000	90
3	Above 2500001	95

N. Amusement Park

SI No	Fair value of the property	Basic property tax rate
1	Upto 750000	50
2	Above 750001	60

O. Mobile Tower

SI No	Fair value of the property	Basic property tax rate
1	Upto 1500000	500
2	Above 1500001	600

P. Buildings of Industrial units registered under Micro Small Medium
Enterprises Development Act

SI No	Fair value of the property	Basic property tax rate
1	Upto 250000	35
2	250001 to 500000	40
3	500001 to 1000000	45
4	Above 1000001	50