

Assessment & Collection Department

NMMC came into existence w.e.f. 1/1/1992. From which date provisions of the Maharashtra Municipal Corporations Act, 1949 (formerly known as the Bombay Provincial Municipal Corporations Act, 1949) became applicable to this Corporation. As per Item 49 in the State List, Entry 5 of the State list of the Seventh Schedule to the Constitution, Municipal Corporation is empowered to levy tax on lands & buildings under its jurisdiction.

Normally, municipal corporation is formed of the existing municipal council by including its nearby villages which were under jurisdiction of zilla parishad. However, Navi Mumbai Municipal Corporation is exception, as there were no municipal council in existence before formation of NMMC. Navi Mumbai Municipal Corporation was directly formed from earstwhile Grampanchayats. It included 4800 industrial units situated in the TTC Industrial Area, CIDCO developed nodes viz. Belapur, Nerul, Vashi, Turbhe, Koperkhairne & Airoli , along with 44 villalges.

As per provisions of 127. (1) Of the Act, for the purpose of this Act, the Corporation shall impose the following taxes, namely:-

- (a) Property taxes;
- (b) a tax on vehicles, boats and animals

As per provisions of section 129 property tax includes:-

- General Tax,
- Water Benefit Tax,
- Sewerage Tax,
- Sewerage Benefit Tax,
- Education Cess,
- Street Tax, etc. also
- Tree Cess as per Maharashtra (Urban Area) Trees Preservation Act, 1975 is levied with property taxes.

Property tax is charged at certain percentage of the **Rateable value** of the property (land & building). Rateable value is important aspect as far as levy of property taxes is concerned.

Rateable value - how to be determined:-

Rule 7 of Taxation Rules, Chapter-VIII appended to the MMC Act, 1949 provides as to how the rateable value of land & building is to be determined. Rule 7 reads as under:

“7. (1) In order to fix the rateable value of any building or land assessable to a property tax there shall be deducted from the amount of the annual rent for which such land or building might reasonably be expected to let from year to year a sum equal to ten per cent of the said annual rent and the said deduction shall be in lieu of all allowances for repairs or on any other account whatever”