

## **Procedure of Assessment & Collection of Property Taxes :**

As per provisions of section 127 read with section 129 of the Bombay Provincial Municipal Corporations Act, 1949 all lands & buildings under the jurisdiction of Municipal Corporation are liable for payment of property taxes.

When any newly constructed property is noticed by the Tax Inspector of that Ward, he submits a report stating therein the details such as Type of construction whether RCC, RCC/AC, Tiled House, its user, whether residential or non-residential (commercial) its area in sq. meters, name of the owner, etc. The said property is then assessed by adopting the rate of rent, which is fixed for respective wards and type of construction. The built-up area is multiplied by the said rate of rent which gives the estimated monthly rent of the property which is multiplied by 12 which gives annual estimated rent that property would fetch if let out. From the said annual rent a statutory deduction of 10% is allowed as per the provisions of the Act. The net value so arrived is the **Rateable Value** of the said property. The rateable value thus is fixed remains unchanged unless there is change in the property viz. change in user, type of construction or if there is any addition or extension in the property. Property tax is charged at certain percentage on the said rateable value. The rates fixed for calculation of rateable value are published every year for the information of public/tax payers.