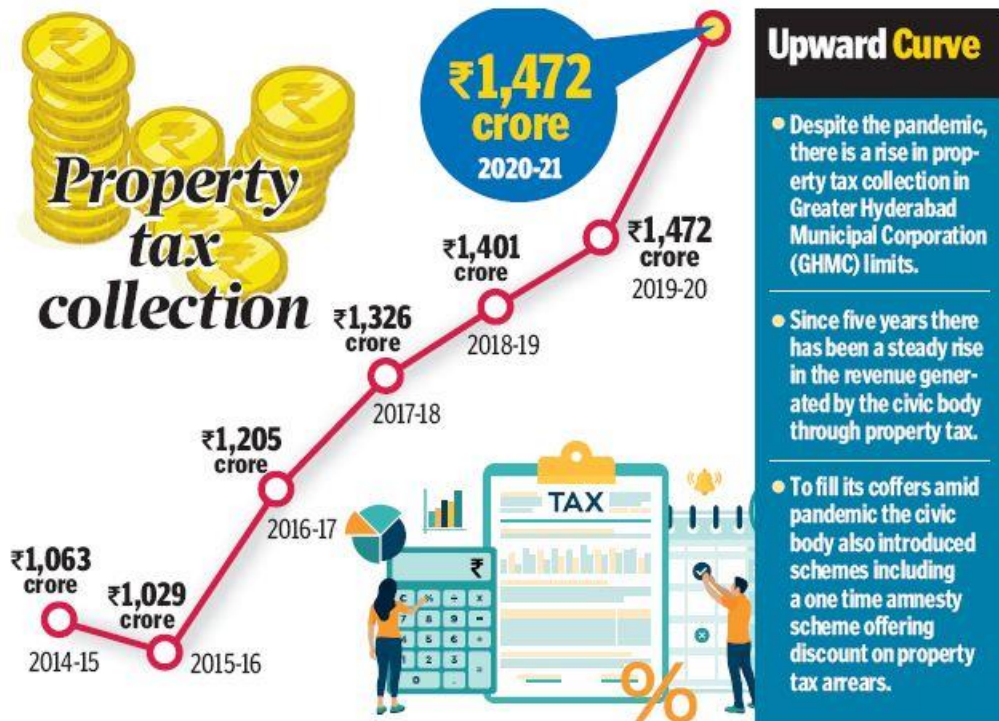




## INDIA – August 2021

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### WRONG INFO: PENALTY TO BE 25 TIMES ACTUAL TAX

To reduce the property tax, if a person furnishes wrong details, the individual is liable for penalty as per section 94 of Telangana Municipalities Act 2019. The municipality will collect the actual tax amount and impose one time penalty which will be 25 times on actual tax. This act and the provisions mentioned in it, including penalties, is

applicable only to the municipal corporations and municipalities outside GHMC limits. Currently these norms do not apply to properties in GHMC limits as there is an exclusive GHMC act. Plans are underway to incorporate similar provisions in the GHMC act. To do so the issue shall be placed in the legislative assembly for approval.

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**Property tax: GHMC plans self-assessment mode**

*To do away with method of bill collectors visiting newly built structures to estimate tax*

After completion of self-assessment by property owners, GHMC will conduct an audit.

Hyderabad: The Greater Hyderabad Municipal Corporation (GHMC) is planning to incorporate a citizen-friendly approach to generate its revenue by doing away with the traditional method of bill collectors visiting newly constructed houses as well as structures with the additional built-up area.

For years, bill collectors measured the site manually and uploaded the details to the GHMC website to generate property tax amount. Now, the plan is to go for a complete self-assessment of property tax for new structures and revision of the existing tax in case of additional built-up area by property owners themselves. As of now, self-assessment is an option, along with physical verification by bill collectors.

Once physical verification is done away with, that is, if the government approves the proposal, property owners will from then have to visit <https://www.ghmc.gov.in/> and complete the online self-certification process by uploading the details and documents. Following this, an audit will be conducted.

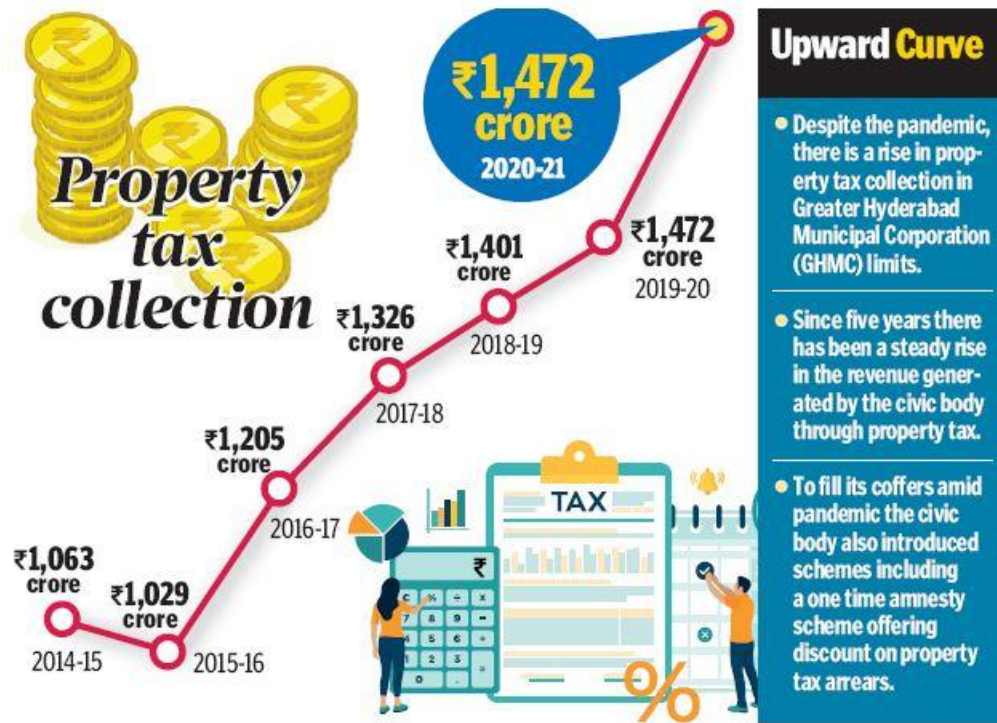
With self-assessment posing the risk of wrong details being furnished, the GHMC is planning to deter that possibility by imposing hefty penalties. As of now, as per the Municipalities Act, 2019, if a person furnishes wrong details to lower property tax amount, the individual is liable for penalty as per section 94 of the Act. The municipality will collect the actual tax amount and impose a one-time penalty which will be at least 25 times the actual tax.

Meanwhile, another change made by the GHMC is providing privacy to property owners. Unlike earlier, property details and dues now are not available in the public domain. To pay the property tax or check dues, an OTP will be sent to the property owner using which the person can see the details. “We want to have an updated database to send alerts about payments and dues pertaining to property tax. We also wanted to provide privacy to property owners following which the OTP option was introduced,” a GHMC official said.

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**International Property Tax Institute**

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