

# GIS help to widen tax network

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**Cuttack, March 20:** The civic body has extended its Geographic Information System-based survey to all wards to widen its property tax net.

The Cuttack Municipal Corporation (CMC) has formed four squads consisting of senior officers, assistant engineers and tax collectors to assess properties on the basis of the Geographic Information System (GIS) data.

The CMC's failure to assess new constructions in recent years has robbed the exchequer of crores in terms of tax, as a large proportion of residential and commercial holdings continue to remain outside its radar. While there had been increasing number of constructions in recent years, the civic body was yet to

assess most of them.

Municipal commissioner Gyana Das conceded that thousands of properties continued to elude the tax net. "There could possibly be around one lakh properties in the corporation limits, but only 55,000 of them are under tax net," Das said.

He, however, is optimistic about bringing most of these non-assessed properties under the tax laws' ambit. "To check this problem, we are implementing the GIS to trap all non-assessed properties in the city under tax net," Das told **The Telegraph** today.

Last September, the CMC had, with support of the department for international development, UK, implemented the GIS on a pilot basis in two wards at Markatnagar. The system allows civic officials an ac-



An aerial view of Cuttack.

Picture by Badrika Nath Das

cess to information about number of floors, type of construction and underassessment of the properties through satellite-image mapping. The pilot run had identified 3,000 properties, which were outside the property tax net.

"We mobilised a team of tax collectors and formed squads to undertake measurements of the properties identified. So far, we have taken measurements for around 2,900 properties," Das said.

He said the exercise would

enable the CMC to earn Rs 40 lakh to Rs 50 lakh of revenue in holding tax each year from the newly identified properties.

The CMC's standing committee for taxation, finance and accounts believes that non-assessed residential and commercial holdings (properties) and the newly created holdings take a toll on its earnings. Standing committee head Ajay Barik said: "Property assessment and tax collection are vital for the corporation, as property tax is its primary source of income. The GIS-based method has been adopted as part of the civic body's revenue enhancement reforms to bring in more transparency and prepare a digital database."

"The CMC has set a target of Rs 13 crore for the 2017-18 fiscal," Barik said. While it

had set a Rs 10 crore target from property tax collection during the 2016-17 fiscal, it could collect around Rs 8 crore by mid-March.

After the CMC's formation, the civic authorities were to collect property tax in place of holding tax. But, the authorities still collect holding tax according to Orissa Municipal Act, 1950, under the supplementary and transitional provision of Section 693 (3) of the Orissa Municipal Corporation Act, 2003, as the legislation for the new tax regime is yet to be introduced.

Civic officials said owners of any holding within the municipal limits were liable to pay holding tax at 20.5 per cent of the annual rental value of the holding, depending on its nature — residential or commercial.