

ANNEX B

ANNEXURE 2
1241A
6

No.4(7)-P/65
Government of India
Ministry of Finance
(Department of Coordination)

New Delhi, the 29th March, 1967.

From
Sri J. Lalit,
Under Secretary to the Govt. of India.

To
The Chief Secretaries of all the State Governments.

Subject : Payment of service charges to local bodies in respect
of Central Government properties.

Sir,

I am directed to refer to this Ministry's letter No.14(D)-P/52-1 dated the 10th May, 1964 and the Ministry of Works, Housing and Supply letter No. Cont.23(13)/59 dated the 4th August, 1961 on the subject cited above.

2. The procedure for arriving at the quantum of service charges payable to the local bodies has been further examined by the Government of India and it has now been decided that the service charges should be calculated in the following manner:-

(i) In respect of isolated Central Government properties where all services are availed of by the Central Government in the same manner as in respect of private properties, the Central Government will pay service charges equivalent to 75% of the property tax realised from private individuals.

(ii) In the case of large and compact colonies which are self-sufficient with regard to services or where some of the services are being provided by the Central Government Department themselves, the service charges will be calculated in the following manner:-

(a) In the case of colonies which do not directly avail of civic services within the area and are self-sufficient in all respects, the payment of service charges will be restricted to 33 1/3% of the normal rate of property tax applicable to private properties.))

(b) In respect of colonies where only a partial use of services is made, service charges will be paid as 50% of the normal property tax rate.

(c) In respect of colonies where all the services normally provided by the municipal body to the residents of other areas within its limits are being availed of, service charges will be paid as 75% of the property tax rate realised from private individuals.

(iii) The net rateable value/annual value for the purposes of these instructions shall be 9% of the 'capital value' of the property concerned both in respect of residential and non-residential properties. The 'capital value' shall include the cost of acquiring or constructing the building including the cost of site, its preparation and any other capital expenditure incurred after acquisition or construction or when this is not known, the present value of the building including the value of site, as borne on C.F.W.D. records or those of the Department concerned.

(iv) The existing arrangements arrived at between the railways authorities or any Central Government Departments and local bodies in respect of property tax/service charges including the arrangements envisaged regarding Central Government properties in Calcutta and as regards the properties in Delhi will not be disturbed by this decision.

3. I am/request, request that the decision of the Government of India conveyed in this letter may kindly be intimated to the local authorities within your State.

Yours faithfully,

Sd/-

(J. MULL)

Under Secretary to the Govt. of India.

No. 2(7) 2/65

Copy forwarded for information to :-

1. All Ministries/Departments of the Central Govt.
2. Comptroller and Auditor General of India, New Delhi.

Sd/-

(J. MULL)

Under Secretary to the Govt. of India.

Government of India
Ministry of Finance
(Department of Local Self Government)
New Delhi, the 29th May 1961

M/D

Under Secretary to the Government of India

The Chief Secretaries of all the State Governments

Subject: PAYMENT OF SERVICE CHARGES TO LOCAL BODIES
IN RESPECT OF CENTRAL GOVERNMENT PROPERTIES

Sir,

I am directed to refer to this Ministry's letter No. 14(1) P/52-1 dated the 10th May 1954 and the Ministry of Works, Housing and Supply letter No. Cont. 23(13)/59 dated the 4th August 1961 on the subject cited above.

2. The procedure for arriving at the quantum of service charges payable to the local bodies has been further examined by the Government of India and it has now been decided that the service charges should be calculated in the following manner :-

- (i) In respect of isolated Central Government properties where all services are availed of by the Central Government in the same manner as in respect of private properties, the Central Government will pay service charges equivalent to 75% of the property tax realised from private individuals.
- ii) In the case of large and compact colonies which are self sufficient with regard to services or where some of the services are being provided by the Central Government Departments themselves, the service charges will be calculated in the following manner.
 - (a) In the case of colonies which do not directly avail of civic services within the area and are self sufficient in all respects, the payment of service charges will be restricted to 33 1/3% of the normal rate of property tax applicable to private properties.
 - (b) In respect of colonies where only a part of the services is made, service charges will be paid of the normal property tax rate.
 - (c) In respect of colonies where all the services normally provided by the Municipal body to the residents of other areas within its limits are being availed, of service charges will be paid as 75% of the property tax rate realised from private individuals.

iii) The net rateable value/annual value for the purpose of these instructions shall be 9% of the Capital Value of property concerned, both in respect of residential and non-residential properties.

Capital Value shall include the cost of enquiring and instructing the building including the cost of site, preparation and any other capital expenditure incurred after acquisition or construction or when this is not known at the present value of the building including the value of site, as borne on C.P.W.D. records of the Department concerned.

- iv) The existing arrangements arrived at between the Railways authorities or any Central Government Departments and local bodies in respect of property tax/service charges including the arrangements envisaged regarding Central Government properties in Calcutta and as regards the properties in Delhi will not be disturbed by this decision.

3. I am to request that the decision of the Government of India, conveyed in this letter may kindly be intimated to the local authorities within your State.

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Under Secretary to the Govt. of India.

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(J. Murli)

Under Secretary to the Govt. of India.

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