

**MCD ACHIEVES MAJOR BREAKTHROUGH IN COLLECTION OF
PROPERTY TAX**

—— *Mayor*

Mayor, Ms. Arti Mehra today informed that during the present regime, the Municipal Corporation of Delhi has achieved major breakthrough in collection of Property Tax. The bridge of the revenue collected and actually realized has been abridged. The gross Property Tax collection during 2007-08 touched the all-time high figure of Rs.1007.06 crores. She said that it is heartening to note that the actual collection also reached all-time high at Rs.1001.5 crores. The narrow gap is primarily due to the dishonoured cheques of Rs.6.16 crores. She said that it is for the first time that the action has been initiated for recovery of the amount against the dishonoured cheques in right spirit and it is expected that even this narrow gap will be filled-up thereby completely matching the figures of *Gross Collection and Actual Realization*.

Ms. Arti Mehra attributed the breakthrough to the fact that the present regime had decided to discontinue the defaulting Citizen Service Bureaus. Major discrepancies were found in their tax collections. Therefore, it was decided to discontinue collection of property tax from CSBs w.e.f. 9th June, 2007. She said that there was a large gap between the collection and actual realization on the part of CSBs. In addition, CSBs failed to make assessment and collection on-line.

It goes to the credit of the present regime that on coming to the power, it immediately decided not only to discontinue the CSBs for collection of property tax but also to introduce the on-line collection of property tax which has been widely welcomed by the tax-payers and has provided major relief.

Mayor pointed out that during 2006-07, the total collection of property tax was Rs.800.68 crores, whereas the actual amount realized was only Rs.711.48 crores recording a gap of Rs.89.20 crores. The amount of dishonoured cheques was Rs.7.58 crores. The gap of Rs.81.62 crores in collection of property tax remains unexplained.

Ms. Arti Mehra also pointed out that during 2005-06, the total collection of property tax was Rs.794.43 crores whereas the amount realized was 715.54 crores. The amount of dishonoured cheques was Rs.11.36 crores. The gap of Rs.67.53 Crores in collection of property tax remains unexplained.

Mayor appealed the property tax payers to pay the tax through the on-line system of payment as far as possible. This will further help MCD in matching the figures of total collection of property tax and its actual realization. It will also discourage the taxpayers who pay property tax through the cheques which get dishonoured.
