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GOVERNMENT OF TAMIL NADU
SECRETARIAT

(A) (7)

TAX- Property Tax- Tourist Bungalows under control of Tamil Nadu Tourism Development Corporation Limited in Municipalities and Townships - Mode of assessment- Instructions Issued.

RURAL DEVELOPMENT AND LOCAL ADMINISTRATION DEPARTMENT

G.O. (MS) No.1738

Dated: 25th August 1976
Read:

1. From the Managing Director, Tamil Nadu Tourism Development Corporation Limited, letter No.2717/Audit/75-1, dated 28.2.75 and 9.7.76.
2. From the Inspector of Municipalities, Letter L.Dis.24808/75/F2 dated 17.7.75.
3. From the Examiner of Local Fund Accounts, Letter K.Dis.13/20629/75, dated 23.8.75.

ORDER

The Managing Director, Tamil Nadu Tourism Development Corporation Limited brought to the notice of the Government that the Tourist Bungalows of the Tamil Nadu Tourism Development Corporation are assessed to property tax on the basis of the capital cost of the building as is being done in the case of Government buildings and buildings that are not ordinarily let out on rent. He has also stated that the buildings of this organisation are being maintained not as a commercial venture but mainly for the promotion of tourism and for the convenience of the tourists, that all the rooms in Tourist Bungalows are not being occupied on all the days throughout the year, that no allowance for non occupancy is being allowed and that the tax demanded in each case is quite disproportionate to the actual income derived from these buildings. He has also pointed out that since the Tourist bungalows are being run as lodging houses collecting rent they need to be assessed to property tax in the same manner as private lodging houses are to be assessed.

2. The representation of the Tamil Nadu Tourism Development Corporation Limited was referred to the Inspector of Municipalities and the Examiner of Local Fund Accounts. The Inspector of Municipalities and the Examiner of Local Fund Accounts have recommended that the Tourist Bungalows may be assessed to property tax adopting the method followed in the case of lodging houses on the lines suggested in letter No.84751/M.VII/68-5, Rural Development and Local Administration Department, dated 27.3.69. The Tamil Nadu Tourism Development Corporation has agreed to the recommendation of the Inspector of Municipalities and the Examiner of Local Fund Accounts.

3. The Government after careful consideration accept the recommendations of the Inspector of Municipalities and the Examiner of Local Fund Accounts as agreed to by the Tamil Nadu Tourism Development Corporation and they accordingly direct that the Tourist Bungalows of the Tamil Nadu Tourism Development Corporation in Municipalities and Municipal Township areas be assessed to property tax as per formula prescribed in the Memorandum mentioned in para 2 above.

(BY ORDER OF THE GOVERNOR)

S.V. ANJONY
SECRETARY TO GOVERNMENT

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All the Executive Authorities of Municipalities and Townships through the Special Officer/Chairman concerned.
All the Regional Inspector of Municipalities.
All Inspector of Municipalities Madras-600 001.
The Examiner of Local Fund Accounts, Madras-600 002.
The Managing Director, Tamil Nadu Tourism Development Corporation Limited No. 34, Anna Salai, Madras-600 002.
Copy to the Public (Tourism) Department Madras-600 009.

/true copy/

Commissioner
Sivaganga Municipality

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