

OGC NO: 734

GOVERNMENT OF ANDHRA PRADESH
MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT DEPARTMENT

Memo.No.15114/M1/2013**Dated: 15.02.2014**

Sub: MA&UD - Vacant Land Tax (VLT) - Resolution of issues on Vacant Land Tax, Applicability of VLT - Instructions Issued - Reg.

- Ref: 1. From CEO, CREDAI, Andhra Pradesh, Lr.No. CREDAIAP/48/2013-14, Dated: 28.06.2013
2. Memo.No.15114/M1/2013, Dated: 09.07.2013, 11.12.2013
3. Circular C.No.018/13th FC/CDMA/2013, Dated: 16.10.2013
4. From the Commissioner, GVMC Lr.Rc.No.14764/2010/DC(R), Dated: 12.12.2013
5. Memo.No.15114/M1/2013, dt:27.01.2014

It has come to the notice of the Government that, in most of the Municipal Corporations Vacant Land Tax (VLT) is being collected at the time of sanction of building permission and it is not being collected regularly on half year / annual basis as done in the case of Property Tax. VLT is levied for different periods of time in different Municipal Corporations when applicants are approaching for building permissions. In respect of Hyderabad and Vijayawada, VLT is levied immediately preceding year. In respect of GVMC, tax is levied immediately preceding 3 years. From the provisions of Act, it is not clear whether the VLT is to be levied during the construction period or not.

2. Hence, Government vide reference 5th cited constituted a Committee with the Commissioner & Director of Municipal Administration, Hyderabad as Chairman and the Director of Town & Country Planning, A.P. Hyderabad and the Additional Director, MA&UD Department as Members to suggest uniformity of application of levying VLT as per Act and Rules in all Urban Local Bodies in the State.

3. Accordingly, the Committee has submitted its report stating that, as per the Act provisions, any assessment or reassessment can be imposed for a period less than 3 years retrospectively and it shall not be beyond 3 years. Since the Act provision indicates only the upper limit i.e., not beyond 3 years, the Government can issue orders specifying the time period for which VLT to be collected at the time of issue of Building Permission in order to have uniformity, to avoid any malpractices and to remove discretion at the level of Municipal Commissioner.

4. Government after careful examination of the matter & in the light of report submitted by the Committee, in order to have uniformity and to avoid any malpractices and to remove discretion at the level of Municipal Commissioners, hereby instruct to collect Vacant Land Tax (VLT) for one (1) year at the time of issue of Building permission.

DC R1 / cep

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5. All the officers noted in the address entry shall take necessary action accordingly and issue instructions to the concerned in the matter.

Dr. S.K. JOSHI
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner,
Greater Hyderabad Municipal Corporation,
Hyderabad
The Metropolitan Commissioner,
Hyderabad Metropolitan Development Authority,
Hyderabad
The Commissioner & Director of Municipal Administration,
Hyderabad
The Director of Town & Country Planning,
Hyderabad
All the Municipal Commissioner's of Municipalities/ Corporations/
Nagar Panchayats through Commissioner & Director of Municipal
Administration, Hyderabad
All Vice Chairmen of Urban Development Authorities in the State.

Copy to:
The PS to Hon'ble Minister for MA&UD
MA&UD (TC) Department.

//FORWARDED :: BY ORDER //


SECTION OFFICER
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