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Union Territory, Administration of Daman and Diu  
Urban Development Department  
Notification

No.DD/DMC/RULES/01/2018./400

Date: 01/05/2018

Rules

In exercise of the powers conferred by sub section (2) of section 306, read with Section 101 (1) and read with 101 (1) (a), of The Daman and Diu Municipalities(Amended) Regulation 2018, the Administrator, Daman and Diu, hereby makes the following rules, namely:-

1. **Short Title and Commencement:** -(1) These rules may be called the Daman (Imposing of a Consolidated Tax on land and buildings in Municipal Area Rules), 2018.
- (2) They shall come into force on the date of their final publication in the Official Gazette.
2. **Definition:** - In these rules, unless the context otherwise requires: -
  - 1) Property tax means a consolidated property tax on lands and buildings comprising of a general tax; a general water tax; a lighting tax and a general sanitary tax as detailed in sub-section (2) of Section 101;
  - 2) "Building" means a building as define under Sub-Section(3) of Section-2 of the Regulation;
  - 3) Annual Rateable Value of a building shall be equal to the 90 percent of Annual rent of the building -where annual rent shall be calculated by the method specified in Rule 5 of these Rules.
  - 4) Residential property is either a land lying vacant and unused or a property used exclusively for the residential purposes. Every other property is commercial property.
  - 5) Words and expressions used but not defined in these rules shall have the meaning respectively assigned to them in the Regulation.
3. Tax rates of properties in Municipal Council area shall be as under:-
  - a) Commercial properties: -5.5% of annual rateable value.
  - b) Residential properties: -3.5% of annual rateable value.
4. **Presumed Annual Rent :-** The council shall, by a resolution passed by 2/3<sup>rd</sup> Majority of total strength of the Council, classify various locations of the city in 4 classes, namely class 1, class 2, class 3 and class 4. Provided that not more than 20% of the households in the city can be classified as being in class 4 locations. Provided further that any such resolution shall need approval of the Director (Municipal Administration) before coming in force. Any such resolution will be duly published in at least three vernacular newspapers in circulation in local area and shall also be sent for publication in official gazette. Presumed annual rent of the property in different locations shall be as under:-

Location	Presumed Annual Rent per square feet per annum.	
	Residential Property	Commercial Property
Class 1	120	180
Class 2	110	165
Class 3	100	150
Class 4	50	80

Provided that so long as the Municipal Council does not pass any such resolution, every property in Municipal Council area shall be treated as class 3 property.

Provided further that Presumed Annual Rent shall automatically increase by 4% annually and these rules shall be deemed to have been amended to that extent.

5. Annual rent of the property in different locations shall be calculated as per following rules:-
  - i. The annual rent of a building or property shall be either the actual rent received on the property or the rent on which the property could be let, whichever is higher.
  - ii. The rent on which property could be let shall be calculated by using following formula.  
Built-up area x Presumed annual rent as per rule 4.
  - iii. Built-up area of any vacant land shall be equal to plot area.
6. The property tax of all residential property having built up area less than or equal to 25 square meter shall be such as council may by resolution decide from time to time. So long as no such resolution is passed, the property tax shall be calculated by method specified in rule 5.
7. The council may, by a resolution passed by at least two third majority, and subject of approval of Director Municipal Administration, increase or decrease the presumed annual rent mentioned in rule 4, or the tax rates for different classes of buildings as mentioned in rule 3.  
Provided that such increase or decrease shall not be more than 15% in any financial year.
8. The council is empowered by a resolution, to grant an exemption from levy of tax on building or land belonging to following persons and institutions:
  - a) All the Buildings lands use for religious purpose;
  - b) All the Houses allotted to the beneficiaries under various schemes of poverty alleviation programme;
  - c) All traditional huts built with indigenous materials and have negligible rent value and occupied by the poor households; and
  - d) Retired Soldiers and their Widow / Widower can be exempted from the levy of tax on building and land on which they are living.
9. The Council may decide to allot House number plate to each building registered with Municipal Council at free of cost.
10. The Council may carry a survey to identify the houses not yet registered with council and take steps to get them registered with Council. Mere registration of the house for property tax shall neither create nor extinguish any right title or interest in the property. Such registration shall not legalize an illegal construction and shall neither be deemed as a proof of either ownership or possession in any court of law.
11. All disputes related to, or connected with, the property tax shall be decided by the Authorised Valuation Officer and in its absence by the Chief Officer. Appeal against decision of Authorised Valuation Officer or the Chief Officer shall lie with the Standing Committee whose decision shall be final.
12. The owner or authorized person of the taxable property shall furnish correct information regarding rent being charged and collected by him and built up and carpet area as the case may be on demand. Refusal to furnish information or furnishing false information shall be punishable by a fine up to Rs.20000/-. Such fine shall be recoverable as the property tax.
13. The council shall, at all times, display rates of property tax, presumed annual rent as amended from time to time, on notice board in the Council premises and also on website of the Council.
14. Final property tax shall be rounded off to nearest integer.

SERIES - I No. : 01

DATED : 11<sup>TH</sup> MAY, 2018.

Schedule 1

Application form for furnishing the details of the taxable property

1. Name :
2. House No. / Property No. :
3. Location: Area and Ward :
4. Year of Construction of Building :
5. Use of the Property Residential :
6. Use of the Property Non-Residential :  
state uses of the property.
7. Rent of the Property if, let on rent. :
8. Rent of the property to be let on rent. Area of the Property in square feet's for Built up or Carpet area as the case maybe. :

Signature of Owner/  
Authorized Person

Schedule 2

Register for assessing demand and recovery of property tax.

House No. / Property No.  
Class of Buildings

Name:

Area / ward:

Year of Taxation	Annual rent value	Rate of Tax	Demand	Recovery	Receipt No.	Date	Outstanding Amount		Signature
							Tax	Interest	

Schedule 3

Property tax of area per square feet.

Location Class	Residential Property Tax per. sq. feet/ per annum	Commercial Property Tax per. sq. feet/ per annum
1	$120 \times 90\% = 108 \times 3.5\% =$ Rs. 3.78	$180 \times 90\% = 162 \times 5.5\% =$ Rs. 8.91
2	$110 \times 90\% = 99 \times 3.5\% =$ Rs. 3.46	$165 \times 90\% = 148.5 \times 5.5\% =$ Rs. 8.17
3	$100 \times 90\% = 90 \times 3.5\% =$ Rs. 3.15	$150 \times 90\% = 135 \times 5.5\% =$ Rs. 7.42
4	$50 \times 90\% = 45 \times 3.5\% =$ Rs. 1.57	$80 \times 90\% = 72 \times 5.5\% =$ Rs. 3.96

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**Schedule 3 (A)**  
**Tax percentages on Commercial and Residential Properties**

Location Class	Tax per. sq. feet per annum	
	Residential Property Tax	Commercial Property Tax
1	Rs. 3.78	Rs. 8.91
2	Rs. 3.46	Rs. 8.17
3	Rs. 3.15	Rs. 7.42
4	Rs. 1.57	Rs. 3.96

**Schedule 4 (A)**

**Worksheet for calculation of Property Tax**  
**Commercial Tax per annum**


Location Class	100 Square Feet x property tax per sq. ft.	500 Square Feet x property tax per sq. ft.	1000 Square Feet x property tax per sq. ft.	2000 Square Feet x property tax per sq. ft.
1	891	4455	8910	17820
2	817	4085	8170	16340
3	742	3710	7420	14840
4	396	1980	3960	7920

**Schedule 4 (B)**

**Worksheet for calculation of Property Tax**  
**Residential Tax per annum**

Location Class	100 Square Feet x property tax per sq. ft.	500 Square Feet x property tax per sq. ft.	1000 Square Feet x property tax per sq. ft.	2000 Square Feet x property tax per sq. ft.
1	378	1890	3780	7560
2	346	1730	3460	6920
3	315	1575	3150	6300
4	157	785	1570	3140

By order and in the name of the Administrator  
Daman and Diu

  
Deputy Secretary (UD)  
Daman and Diu,  
Daman