

Assessment/ Holding Tax

Services Provided by S.M.B pertaining to Assessment/Holding Tax

- Maintain records of Holdings & respective Taxes as well as the Demand Register for all wards under Shillong Municipality
- Processing of Holding Tax & Service of Demand Bills.
- Processing of application for mutation/ Apportionment of Holdings.

Assessment/ Holding Tax			
Frequently Asked Questions	Answer	Timeline	Concerned officer
How and when to pay Holding taxes?	Tax can be payed at the collection counters situated in the office of the SMB and can be payed either for a full year or for a quarter.	It is advisable to pay the tax before the close of the 1 st quarter i.e. 30 th June of every year to avail the rebate of 5%	Assessment Supervisor Assessment 0364 – 2224850
What are the different types of Taxes?	<ul style="list-style-type: none"> • House Tax. • Sanitation Tax. • Water Tax. • Lighting Tax. 	Not Applicable	
Why should we pay holding tax?	Holding tax is collected to enable the SMB to perform functions assigned to it such as water supply, sanitation, street lighting, conservancy, maintenance of roads, parks, burial and cremation grounds, etc. These services directly affect the quality of the physical and economic environment and thus the social life of communities.	Not Applicable	
How the Assessment for the Holding Tax is done?	<p>Assessment of Municipal Tax is made as per the provision of the Meghalaya Municipal Act 1973 and the Meghalaya Assessment of Annual Rental Value of Holding Rules 2004 and on the basis of unit area value and rates recommended by Valuation Committee and approved by the Government</p> <p>The formula and steps for calculation of holding tax liability has been detailed in the Handbook. It is a simple arithmetic calculation. Some examples are also given in the Handbook. But in case the holding is large, in multiple use, and multi-floor, help may be sought from an accredited architect at a mutually agreed fee.</p>	Not Applicable	Upper Division Assistant 0364 – 2224850
Who is liable to pay holding tax?	A holding (building) owner is liable to pay holding tax as this tax is leviable on all holdings in the SMB jurisdiction except the exempt categories such as holdings belonging to the Union government for self-use, holdings owned and managed by the	Not Applicable	

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	SMB, public burial and cremation grounds, or those exempted by the Board.		
What are the concessions provided?	<p><u>Following concession are provided:</u></p> <ul style="list-style-type: none"> • When the holding is self occupied the ARV is calculated at 25% less of the actual amount. • If the holding is used exclusively as place of worship all taxes with the exception of lighting Tax are exempted. • If advance payment is made, a rebate of 5% is entitled. 	Not Applicable	
What is the penalty incase of late payment?	Penalty for late payment is 3.125% of the amount due	Not Applicable	
What is the rebate for the timely payment?	There is a rebate of 5%, if the tax is payed before the start of the quarter for which it is due	Not Applicable	
<p>What is mutation of premises?</p> <p>How to apply for a mutation of the holding?</p>	<p>Mutation is recording the name of the valid owner in respect of a holding.</p> <p>Step1: Submission of the applications in a prescribed forms supported by the following documents.</p> <ul style="list-style-type: none"> • Registered Sale Deed. • Registered Deed of Declaration. • Registered Deed of Gift. • No – Objection – Certificate from the family members of the previous owner/donor. • Upto date Municipal Tax Receipt. • Self declaration format. <p>Step2: Issue of 1(one) month Public notice inviting claims and objection.</p> <p>Step3: If no claim and objection are received, applicant will be asked to pay the Mutation fee as per the prevailing rates.</p> <p>Note: In case of Govt. land/Revenue Land, Step 2 above is skipped.</p>	For simple mutation it takes 2 to 7 days and for other cases such as amalgamation, separation or apportionment it can take up to 15 days.	
In case, I do not have a documentary proof of covered area, do I need a certificate from a registered architect? What if I have made	Yes, certificate from a registered architect would be required. However, in case of holdings situated on a plot of 100 sqmtr or less if the minimum covered area per floor mentioned against plot area as per the conversion of plot into floor. Proof of covered area/ certificate	Not Applicable	

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additional construction than the covered area mentioned in the documentary evidence?	from a registered architect would not be insisted upon. For any additional structure the same would also be applicable.		
Where do I find the list of registered architects?	The list of registered architect can be had from the SMB. It is also given in this Handbook.	Not Applicable	
Is my locality likely to remain in the allocated category forever?	No. A Municipal Valuation Committee would be set-up every five years which would consider the changes in the classification, if found necessary.	Not Applicable	
What happens if I do not pay my quarterly instalments on time?	Interest at the monthly rate of 2 percent would be chargeable from the next quarter for delayed payments as a penalty.	Not Applicable	
If various portions of my holding have been constructed in different years which age factor would be applicable?	For portions of holdings constructed in different years falling in different blocks the corresponding age factor for that particular block would apply to the relevant portion. The ARV for such portions would have to be calculated separately and added to arrive at the total value.	Not Applicable	
Is there any provision for refund of excess payment of tax by me?	Yes. Excess amount paid shall be refunded or adjusted in the future tax liability.	Not Applicable	
I am constructing a new building which is not yet complete. Do I need to file a return?	You can file a return within 30 days of the completion of the building or as soon as it is occupied whichever is earlier	Not Applicable	
I have some disputed arrears of holding tax of preceding years. Do I have to pay them?	Yes. You can get all your disputes settled in the MTT and should clear all arrears immediately to avoid payment of interest and penalty. Do not delay payment of the tax due in the current year under the new system on these grounds.	Not Applicable	
I am living in a shared holding. Can I get my	Yes. The holding tax can be apportioned on a payment of a	Not Applicable	

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holding tax apportioned, so that I can pay my tax separately?	prescribed fee		
I am living in a flat. Do I have to pay tax on the common areas/ services? How do I calculate the same?	Yes. Tax is payable on common areas/ services in case of buildings shared by more than one owner/ occupant. The same shall be divided proportionately according to the covered area enjoyed by the owner/ occupier.	Not Applicable	
The holding has not been mutated in my name in the municipal records. Can I file my tax return?	Yes. You should file the return immediately to avoid payment of interest and penalty and simultaneously apply for mutation of holding in your name.	Not Applicable	
When should I contact the Assessment Branch?	Individuals are required to intimate SMB in writing regarding <ul style="list-style-type: none"> • Purchase of new holding • Mutation-Succession or transfer. • Separation/ Amalgamation/ Apportionment. • When nature of occupancy or usage of the holding changes. 	In this case individuals are required to contact SMB within 90 days of receipt of purchase deed.	

Expectation from Residents

- Timely payment of Holding tax to avail the benefit of rebate
- Submission of the complete application for mutation in a prescribed forms with all supporting documents to avoid any delay