



ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು
ವಿಶೇಷ ರಾಜ್ಯ ಪತ್ರಿಕೆ

ಭಾಗ - ೩ Part - III	ಬೆಂಗಳೂರು, ಮಂಗಳವಾರ, ೨೦, ಫೆಬ್ರವರಿ, ೨೦೨೪ (ಫಾಲ್ಗುಣ, ೦೧, ಶಕವರ್ಷ, ೧೯೪೫) BENGALURU, TUESDAY, 20, FEBRUARY, 2024 (PHALGUNA, 01, SHAKAVARSHA, 1945)	ನಂ. ೯೯ No. 99
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BRUHAT BENGALURU MAHANAGARA PALIKE

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No. Ch. Comm/JC(R)/PR/3329/2023-24

Date: 20-02-2024

Draft Notification

No. Ch.Comm/JC(R)/PR/3329/2023-24, Dated:- 20th February, 2024

The draft notification determining the Unit Area Value by the Chief Commissioner, Bruhat Bangalore Mahanagara Palike in pursuance to the Explanation to sub-section (5) of section 144 of the Bruhat Bengaluru Mahanagara Palike Act, 2020, (Karnataka Act 53 of 2020) is hereby published as required by the proviso to the said Explanation for the information of the persons likely to be affected thereby and notice is hereby given that the said draft will be taken into consideration after 15 days from the date of publication in the official Gazette.

Any objection or suggestion, which may be received by the Chief Commissioner, Bruhat Bangalore Mahanagara Palike from any person with respect to the said draft before the expiry of the period specified above will be considered by the Chief Commissioner, Bruhat Bangalore Mahanagara Palike. Objections or suggestions may be addressed to the Chief Commissioner, Bruhat Bangalore Mahanagara Palike, NR Square, Bangalore-560 002. Email address: spcomm-rev@bbmp.gov.in.

Tushar Giri Nath, IAS

Chief Commissioner

Bruhat Bangalore Mahanagara Palike

Guidance Value Based Property Tax System

(1) Property Tax for Residential properties/lands and Residential vacant lands.

Broadly, the property tax has two components.

(i) PT Portion arising out of Land/Property (including the apartments/flats)

Property Tax for Tenanted property/lands per Sq.ft. Per year =	0.2% of the Guidance value of the property/land as prescribed u/s 45B of Karnataka stamps Act,1957 (in per Sq.ft)
Property Tax for self-occupied property/lands per Sq.ft. Per year =	0.1% of the Guidance value of the property/land and as prescribed u/s 45B of Karnataka stamps Act,1957 (in per Sq.ft)
Property Tax for fully vacant land = in per Sq Foot per year	0.025% of the Guidance value of the land as prescribed U/S 45B of Karnataka stamps Act,1957 (in per Sq.ft)

In case of building on a land, the cost of the building shall be depreciated @ 3% per annum subject to upper limit of 60%.

(ii) PT Portion arising out of building (other than Apartments/Flats)

Property Tax for Tenanted building per Sq.ft. Per year =	0.2% of the [construction cost of the building minus 3% depreciation per year capped at 60%] (in per Sq. ft)
Property Tax for self-occupied building per Sq.ft. Per year =	0.1% of the [construction cost of the building minus 3% depreciation per year capped at 60%] (in per Sq. ft)

The construction cost per Sq. ft of residential building shall be taken as Rs.1500/-.

Hence overall property tax as sum of above two items –

Property Tax Per Year	=	[PT per Sq.ft arising out of land/property x total plot or flat area] + [PT per Sq.ft arising out of Building (other than Flats) x total building area] (if applicable)
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(2) Property Tax for Non-Residential properties/lands (all purposes other than industrial and Star Hotels) and Non-Residential vacant lands (all purposes other than industrial and Star Hotels)

Broadly, the property tax has two components

(i) PT Portion arising out of Land/Property (including apartments/ flats put to non-residential use)

Property Tax for non-residential property/ lands per Sq.ft. per year =	0.5% of the Guidance value of the property/land as prescribed u/s 45B of Karnataka stamps Act,1957 (in per Sq.ft)
Property Tax for fully vacant land = in per Sq Foot per year	0.025% of the Guidance value of the land as prescribed u/s 45B of Karnataka stamps Act,1957 (in per Sq.ft)

In case of building on a land, the cost of the building shall be depreciated @ 3% per annum subject to upper limit of 60%.

(ii) PT Portion arising out of non-residential buildings (other than Apartments/Flats, Industrial and Star Hotels)

Property Tax for both tenanted and self-occupied building per Sq.ft. Per year =	0.5% of the [construction cost of the building minus 3% depreciation per year capped at 60%] (in per Sq. ft)
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The construction cost per Sq.ft of Non-Residential (all purposes other than industrial and Star Hotels) building shall be taken as Rs.2000/-.

Hence overall property tax as sum of above two items –

Property Tax Per Year	=	[PT per Sq.ft arising out of land/property x total area of plot or flat] + [PT per Sq.ft arising out of Building (other than Flats) x total building area] (if applicable)
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(3) Property Tax for Non-Residential properties/lands (Star Hotels)

Broadly, the property tax has two components.

(i) PT Portion arising out of Land/Property

Property Tax for Star Hotels property/lands per Sq.ft. Per year =	0.75% of the Guidance value of the property/land as prescribed U/S 45B of Karnataka stamps Act,1957 (is per Sq.ft)
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In case of building on a land, the cost of the building shall be depreciated @ 3% per annum subject to upper limit of 60%.

(ii) PT Portion arising out of Non-Residential Buildings (Star Hotels)

Property Tax for Star Hotel building per Sq.ft. per year =	0.75% of the [construction cost of the building minus 3% depreciation per year capped to 60%] (in per Sq. ft)
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The construction cost per square foot of Non-Residential (Star Hotels) building shall be taken as Rs.4000/-.

Hence overall property tax as sum of above two items –

Property Tax Per Year	=	[PT per Sq.ft arising out of land/ property x total area of land/plot] + [PT per Sq.ft arising out of Building x total building area]
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(4) Property Tax for Non-Residential (Industrial) properties/lands and Non-Residential (Industrial) fully vacant lands.

Broadly, the property tax has two components.

(iii) PT Portion arising out of Land/Property

Property Tax for both tenanted and self-occupied Industrial property/ lands per Sq.ft. per year =	0.3% of the Guidance value of the property/land as prescribed u/s 45B of Karnataka stamps Act,1957 (is per Sq.ft)
Property Tax for fully vacant land in per Sq Foot per year =	0.025% of the Guidance value of the land as prescribed u/s 45B of Karnataka stamps Act,1957 (in per Sq.ft)

In case of building on a land, the cost of the building shall be depreciated @ 3% per annum subject to upper limit of 60%.

(iv) PT Portion arising out of industrial buildings (other than Apartments/Flats)

Property Tax for both tenanted and self-occupied building per Sq.ft. per year =	0.3% of the [construction cost of the building minus 3% depreciation per year capped to 60%] (in per Sq. ft)
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The construction cost per square foot of Non-Residential (Industrial) building shall be taken as Rs.2000/-.

Hence overall property tax as sum of above two items –

Property Tax Per Year	=	[PT per Sq. Ft arising out of land/ property x total area of land/plot] + [PT per Sq. Ft arising out of Building (other than Flats) x total building area] (if applicable)
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Note: In case of Public Sector Industrial Buildings and Properties/lands the applicable property tax rate shall be fifty percent of rates applicable for other industrial units (both land/properties and the buildings).

(5) Property Tax for houses which are the hutments, housing for poor by Government, houses declared as Slum by Karnataka Slum Development Board or by the BBMP (all having area less than 300 square feet and self-occupied).

Annual composite property tax (lump sum) of Rs 300 (rupees three hundred only) plus Cess at applicable percentages.

(6) Service Charges for properties exempted from payment of Property Tax.

Service charges shall be paid with respect to the properties or land or both, excluding places for worship, which are exempted under section 152 of the BBMP Act, 2020, at a rate of 25% of the otherwise payable Property Tax for Non-Residential Category (2) in this Notification plus cess at applicable rates.

(7) Property Tax on Telecommunication Towers, Hoardings/billboards or Electronic Devices affixed on buildings or lands.

Rs 20000 (rupees twenty thousand) per year per telecommunication tower/per hoarding/per electronic device plus cess at applicable rates.

(8) General Conditions:

The above provisions shall be subject to the following conditions –

- (i) In case the property tax payable as per this revised Notification for any property or land, other than a fully vacant land, increases by more than 20% (twenty percent) as compared to the property tax liable to be paid immediately before this revised Notification; then the increase shall be capped at 20% a year. Then for each subsequent year the property tax shall be increased at a rate of 20% per annum until it catches up with the property tax payable under this Notification. Provided that last increase could be less than 20% so as to ensure payable property tax matches with the property tax payable under this Notification. Thereafter, the annual increase shall be at the annual rates prescribed under this Notification at condition (iii) below.

Provided that any increase on account of change in use of property or additional construction or due to any reason other than merely on account of switchover to this new method of property tax calculation; the said cap of 20% shall not be applicable.

- (ii) No reduction of the existing property tax shall be done if this Notification leads to payable property tax less than what is presently payable and the property tax applicable at present shall continue to be imposed until the property tax payable under this revised Notification exceeds the existing property tax being levied. Thereafter the property tax shall be as per this revised Notification.

Provided that any decrease on account of change in use of property or demolition of a building or a part thereof or due to any reason other than merely on account of switchover to this new method of property tax calculation; the reduction in payable Property Tax shall be permitted.

- (iii) The property tax shall be increased by 5% (five percent) on 1st April of every year starting from the year 2025, on all items mentioned in this Notification.

Provided that for properties or lands whose property tax is based the Guidance Values; as and when there is a revision of the Guidance Values under section 45 B of the *Karnataka Stamps Act 1957*, which entails an increase in the property tax currently being currently charged, the same shall be increased to match the property tax payable as per the revised Guidance Values.

Provided further that the building construction rate shall also increase by 5% each year from the year 2025-26 and the said increase shall be treated as part of the overall 5% increase in the Property Tax. Further, upon revision of construction rates by the Public Works Department, the Chief Commissioner shall adopt them if that entails an increase in the building construction rate but not otherwise.

- (iv) The Guidance Value applicable for this Notification for any property or land shall be one for the developed land or A-Khata property/land on the same location and put to same use as the property or land in question.
- (v) The property tax applicable for any Property in B-Register as per section 144(6) of the BBMP Act 2020 shall not be less than the one applicable for A-Khata property at the same location and used for the same purpose.
- (vi) In case of mixed use of a property/land (used as mix of different purposes such as residential, non-residential, industrial), the land and the building (if applicable) therein shall be liable to pay the property tax at rates prescribed for the said use in this Notification in proportion to the area put to said use and taking the sum of property taxes over all such uses.
- (vii) In case of outdoor sports stadia such as for hockey, cricket, tennis etc., the covered area of the spectator's gallery for viewing the event shall be computed to tax at a rate of 20% (twenty percent) of the property rate applicable for the non-residential purpose. Provided that in respect of open ground and playing area, the rate applicable for the fully vacant commercial lands shall be levied.

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- (viii) All the properties or lands seeking exemption under section 152 of the BBMP Act 2020 shall file an application with the prescribed documents as per Circular No Spl. Comm (Rev)/PR/1351/2023-24 dated 26-12-2023 and the action thereon shall be taken as per the said Circular.
- (ix) When a property or land is exempted from property tax and any portion of the property or land is used for any other purposes other than for the purpose for which the exemption is granted, then for such usage, the property tax shall be payable at the prescribed rates to such extent and usage.
- (x) The areas under any covered or stilt parking or multilevel car/vehicle parking, the tax shall be computed at 50% of the unit area value fixed for the respective property and land as per this Notification.
- (xi) The tax for the areas used for storage of merchandize like granite, timber, bricks, tiles and like, shall be computed at 50% of the unit area value for the respective property and land as per this Notification for non-residential purpose.
- (xii) The race-courses, golf courses, open areas in bus-stands and other such open commercial areas shall be levied tax at a rate for their open areas as prescribed for the fully vacant commercial lands or areas.
- (xiii) The open parking areas shall be charged at a rate of 20% of the per square foot rate payable for the property for residential use for self-use parking area and 20% of the rate payable for commercial/non-residential under category (2) for other cases.
- (xiv) In case of common areas in any building or apartment, such as manager office, club house, swimming pool, health club, canteen etc, the property tax shall be charged at a rate of 50% of the per square foot rate payable for the property itself. The open spaces and parks therein shall be charged at a rate as prescribed for the fully vacant lands or areas.

Tushar Giri Nath, IAS

Chief Commissioner

Bruhat Bangalore Mahanagara Palike

Bengaluru

20th February 2024