THE HONOURABLE SRI JUSTICE RAJA ELANGO

WRIT PETITION No.21553 OF 2017

ORDER:

This writ petition is filed to declare the action of the 4th respondent in levying the property tax as per Resolution in C.R. No.221, dated 28.02.2015, as illegal and arbitrary, and direct the 4th respondent to collect property tax as per the Resolution No.159, dated 20.02.2016.

The petitioners are the residents of Chimakurthy Village, Prakasam District, and they owned independent properties in the village. The Gram Panchayat of Chimakurthy was upgraded as Nagar Panchayat. Since the Chmakurthy Nagar Panchayat – 4th respondent is a newly constituted one, it passed a Council Resolution under C.R. No.221, dated 28.02.2015, and fixed the rate of property tax to be levied in respect of the properties situated in Chimakurthy Nagar Panchayat. The said rate of property tax was accepted by the Council and the same was finalized in C.R. No.34, dated 30.05.2015. The Council resolved that the same rate should be implemented from the second half of the year 2015-2016. Again the Council of the 4th respondent convened a meeting and on the opinions of the members of the Council, it has passed another Resolution in C.R. No.159, dated 20.02.2016, and fixed the rate of property tax by reducing the rate of tax already finalized in the earlier Resolution i.e. C.R.No.221, dated 28.02.2015. Thus, C.R.No.159, dated 20.02.2016, became final in respect of property tax to be levied, and the 4th respondent has to adopt the rate of property tax that was finalized in C.R. No.159, dated 20.02.2016. While so, the 4th respondent has issued demand notices to the petitioners demanding them to pay property tax as per Resolution in C.R. No.221, dated 28.02.2015, which was superseded by C.R. No.159, dated 20.02.2016. Hence, this writ petition.

Heard and perused the material available on record.

The main contention of the learned counsel for the petitioners is that after finalizing the property tax to be levied, basing on the Resolution in C.R. No.159, dated 20.02.2016, the 4th respondent has no right to demand the petitioners to pay property tax as per Resolution in C.R. No.221, dated 28.02.2015, and that the 4th respondent has to collect the tax as per the Resolution No.159, dated 20.02.2016.

Learned Standing Counsel for the 4th respondent submitted that it is true that a subsequent Resolution was passed on 20.02.2016 vide Resolution No.159 for reduction of the property tax, but the same is pending for finalization before the Committee called A.P. Property Tax Board, and that final orders have to be passed by the authorities concerned in respect of levy of property tax, and hence, the petitioners were asked to pay property tax as per Resolution in C.R. No.221, dated 28.02.2015.

Considering the circumstances of the case and the submissions of the respective counsel, this Court is inclined to pass the following order:

The 4th respondent – Chimakurthy Nagar Panchayat, is directed to collect the property tax in respect of the properties of the petitioners, as per Resolution in C.R. No.159, dated 20.02.2016, till passing of final orders by the authorities concerned, basing on the recommendations made by the Committee.

With the above directions, the Writ Petition is disposed of. No order as to costs. Miscellaneous petitions, pending if any, shall stand closed.

RAJA ELANGO, J

July 10, 2017
KTL