HONB'E SRI JUSTICE CHALLA KODANDARAM

WRIT PETITION No.12646 OF 2017

ORDER:

The writ petition is filed questioning the action of the respondents in seeking to collect the property tax from the petitioners in respect of the buildings bearing Nos.4-75-8/2 and 4-75-17 situated at Vanapallegudem, Tadepalligudem, West Godavari District, by taking coercive steps.

It is the specific assertions of the petitioners that they are running Schools under the Management of A.E Mission, Vanapalligudem, Tadepalligudem Town and Mandal, West Godavari District, since the year 1970 as a charitable institution for orphan and destitute children. The petitioners are not collecting any fees from the children and the petitioners are running their activity on a charitable basis. In those circumstances, the petitioners are entitled for exemption of the property tax in terms of Section 88(1)(c) of A.P Municipalities Act, 1965. Petitioners have been submitting the representations from 1995 to 2012 and the latest one on 07.07.2015 to the respondents bringing all these aspects to their notice. It is further stated that without taking into consideration of all these aspects, the respondent authorities are threatening to disconnect the water supply and drainage connection etc, to the petitioners premises. Hence, the present writ petition.

Heard Sri V.V.L.N. Sarma, learned counsel for the petitioners and the learned Government Pleader for Municipal Administration and the learned standing counsel for the 2nd respondent.

Learned standing counsel for the 2nd respondent, on instructions, submits that *prima facie*, the enquiries made by the respondent authorities reveal that the petitioners are not collecting any fees whatsoever and they are catering their activities in four District Head Quarters. However, he submits that the petitioners may be directed to approach the respondent authorities by placing the necessary supporting material before the competent authority showing that they are not collecting any fees and the same may be directed to be considered.

It may be noted that in terms of the law declared by the Full Bench of this Court in a judgment in **Kakinada Education Society, Kakinada vs. Kakinada Municipal Corporation (W.P.Nos.4214 of 2006 and batch cases)**, the individual educational institutions are required to approach the respondent- corporation with necessary particulars and supporting material to justify their claim that the activities that are being carried out without profit motive and that there is no profit element in carrying out the activities, to justify their claim for exemption of the property tax.

Having considered the respective submissions, prima facie, there being no dispute about the petitioners running the institutions genuinely on charitable grounds, interest of justice would be served, if the writ petition is disposed of giving liberty to the petitioners to place the necessary supporting material that they are not collecting any fees and running the institutions on charitable grounds, before the 2nd respondent within a period of four weeks from the date of receipt of copy of the order and on being submission, the 2nd respondent shall consider the same and if otherwise eligible necessary exemption to be granted to the petitioners, within a period of six weeks from the date of receipt of necessary material from the petitioners. As the respondents themselves had instructed that *prima facie* the petitioners appeared to be conducting charitable work, till the final decision is taken by the 2nd respondent after its enquiry, no coercive steps shall be taken against the petitioners institutions.

With the above observations, the writ petition is disposed of. No order as to costs.

Consequently, Miscellaneous Petitions pending if any, shall stand closed.

CHALLA KODANDA RAM,J

Date:17.04.2017,
Gk.

HONB’E SRI JUSTICE CHALLA KODANDARAM

WRIT PETITION No.12646 OF 2017

Date:17.04.2017.

Gk.