BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 13.02.2024

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

WP(MD)No.25113 of 2023
and
WMP(MD)Nos.21293, 21294 of 2023

Holy Cross Anglo – Indian Higher Secondary School,
Rep. by the Correspondent
387/2A VE Road,
Tuticorin – 628 002,
Thoothukudi District. .. Petitioner

v.

1.The Secretary,
Department of Municipal Administration and Water Supply,
Government Secretariat,
Fort St.George,
Chennai – 600 009.

2.The Commissioner,
Municipal Administration,
Commissionerate of Municipal Administration,
Chepauk, Chennai – 600 005.

3.Thoothukudi City Municipal Corporation,
Rep. by its Commissioner,
Thoothukudi.

4.The Assistant Commissioner,
East Zone – Thoothukudi Corporation,
Thoothukudi. .. Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a Writ of Certiorarified Mandamus calling for the records relating to the impugned Demand Notice dated 29.05.2023 in Na.Ka.No.01282/A1/2023 on the file of the fourth respondent, quash the same insofar as it imposes property tax on the petitioner / Holy Cross Anglo Indian Higher Secondary School, 387/2A, VE Road, Tuticorin – 628 002, Thoothukudi District.

For Petitioner : Mr.S.Savarimuthu

For Respondents : Mr.G.V.Vairam Santhosh
Additional Government Pleader
for R.1, R.2, R.4

Mr.N.Anandhakumar
Standing Counsel for R.3

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ORDER

The petitioner is an Anglo-Indian School administered by the Catholic Religious Congregation of Roman Catholic Society. The School is an aided School. The petitioner has filed this writ petition challenging the demand notice issued by the respondents Corporation demanding property tax for the School.

2.Learned Counsel for the petitioner, by relying upon the provision under Section 123(c) of the Coimbatore City Municipal Corporation Act, 1981, submitted that the aided institutions are exempted from paying property tax. He has also relied upon a decision of this Court in ***St.Francis Anglo Indian Girls High School v. Secretary, Department of Municipal Administration and Water Supply, Chennai and Others*** [***W.P.No.8690 of 2020, decided on 15.06.2023***], wherein, this Court has held that the buildings of a fully aided school used for educational purposes including hostel and libraries are exempted from the levy of property tax under the Act.

3.Learned Counsel for the Corporation admitted that the petitioner institution is an aided institution and they are exempted from payment of property tax as per Section 123(c) of the Act. However, the petitioner institution is also conducting self finance courses. As per the proviso to Section 123(c) of the Act, the buildings used by the aided institutions for conducting self financing courses shall be subject to levy of property tax. Therefore, they have levied the property tax for the building, which is used for conducting self financing courses.

4.Learned Counsel for the petitioner disputed the same and submitted that the petitioner School is not conducting any self financing courses. He has also relied upon the certificates issued by the Chief Educational Officer and District Educational Officer that the petitioner School is a fully aided School.

5.Section 123(c) of the Coimbatore City Municipal Corporation Act exempts the properties run by the aided institutions from property tax. However, if the aided institutions are conducting self financing courses, the said portions of the building are liable for property tax.

6.In view of the above position, this writ petition stands disposed of with a direction to the petitioner to file an affidavit of undertaking before the respondents Corporation that they are not conducting any self financing courses in the petitioner School. The respondent Corporation shall ascertain the same and shall proceed further with regard to the demand of property tax as per Section 123(c) of the Act, after affording due opportunity of hearing. Such an exercise shall be concluded within a period of eight weeks from the date of receipt of a copy of this order.

There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

Index : Yes / No **13.02.2024**
NCC : Yes / No
Internet : Yes
gk

To

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B.PUGALENDHI, J.

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3.The Commissioner,
Thoothukudi City Municipal Corporation,
Thoothukudi.

4.The Assistant Commissioner,
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Thoothukudi.

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