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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 10.06.2025

Coram:
The Honourable Mr.Justice KRISHNAN RAMASAMY

W.P.No.28195 of 2022
and W.M.P.No.27488 of 2022

Mr.B.Elango

...Petitioner

Versus

1.Corporation of Chennai,
Represented by its Commissioner,
Rippon Building,
Chennai – 600 003.

2.The Revenue Officer,
Corporation of Chennai,
Rippon Building,
Chennai – 600 003.

3.Assistant Revenue Officer,
Corporation of Chennai,
Zonal Office, No.VI,
158, Strahans Road, Pattalam,
Purasaiwakkam,
Chennai – 600 012.

...Respondents

Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorari calling on records for the 1st Respondent in Proceedings No.III/1/2022-2023/121833 dated 27.07.2022 wherein the half yearly tax for Petitioner property situated at Door No.45, (452-B) Mahadevan Street, GKM Colony, 22nd Street, Agaram Peravallur,

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Chennai – 600 082 has been increased illegally from Rs.8,825/- to Rs.20,960/- and quash the same.

For Petitioner	:	Mr.G.Nicul Anand for M/s.G.Vijay Anand Associates
For Respondents	:	Ms.K.Aswini Devi, Standing Counsel

ORDER

Ms.K.Aswini Devi, learned Standing Counsel takes notice for the respondents.

2. With the consent of both sides, this writ petition is taken up for final disposal.

3. The present writ petition has been filed by the petitioner seeking to quash the Proceedings dated 27.07.2022 bearing No.III/1/2022-2023/121833 issued by the 1st respondent.

4. The case of the petitioner is that the petitioner is the absolute owner of the property consisting of land measuring to an extent of 2,144 Sq.ft and building area measuring to an extent of 4,963 Sq.ft situated at

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Door No.45, (452-B) Mahadevan Stret, GKM Colony, 22nd Street, Agaram Peravallur, Chennai – 600 082. The petitioner had been paying the property tax and water tax for the subject property without any default. While so, during the year 2020, the Annual Rental Value for the petitioner's property had been fixed at Rs.71,169/- and the half yearly tax had been arrived at Rs.8,825/-. Subsequently, based on G.O.Ms.No.53 Municipal Administration and Water Supply Department dated 30.03.2022, the 1st respondent has issued the Proceedings dated 27.07.2022 to the petitioner, revising the half yearly tax for the petitioner's property from Rs.8,825/- to Rs.20,960/-. Aggrieved over the same, the petitioner has filed the present writ petition for the relief stated *supra*.

5. The learned counsel for the petitioner submitted that the method of determining the revision of property tax was not proper and the same is not in accordance with law. It is submitted that prior to the issuance of impugned proceedings, no opportunity was provided to the petitioner to put forth his case. Therefore, the learned counsel submitted that the impugned proceedings issued by the 1st respondent suffers from violation of the principles of natural justice and the same is liable to be quashed.

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5.1. The learned counsel for the petitioner further submitted that while dealing with a case pertaining to the revision of property tax, the Division Bench of this Court has passed an interim order dated 28.03.2023 in W.A.No.163 of 2023 directing the appellant therein to pay the tax at the rate fixed earlier. The interim order dated 28.03.2023 passed by the Division Bench of this Court in W.A.No.163 of 2023 reads as under:

> *"The learned counsel for the appellant submitted that as per section 99 of the Chennai City Municipal Corporation Act, 1919, the tax demand should not cross beyond the 25% of the annual value, whereas in the present case, the property tax is collected at 24.8% and water and sewerage taxes are collected at 7% of annual value and as such, the levy of tax beyond 25% of the annual value is contrary to the provisions of the said Act. Further, the fixation of slab rate with different increase factor for different square feet is without any authority and the same has also not been notified in accordance with law; and that, there is no specific mention about the slab fixation and the revision of property tax in the 15th Finance Commission Recommendations. Hence, the impugned clause and its consequential council resolution are illegal, unconstitutional and against the provisions of the Chennai City Municipal Corporation Act, 1919.*
>
> *2.The learned senior counsel appearing for the respondents drew the attention of this court to the counter affidavit filed by the second respondent and submitted that after issuing gazette notification on 11.04.2022 as well as paper publication on 12.04.2022 regarding the revision of property tax, as per section 98A of the Chennai City Municipal Corporation Act, 1919 and calling for objections from the public, the resolution no.63 dated 30.05.2022 came to be passed and hence, the rate of tax is in line with the law and as per the limit prescribed under the Act. Adding further, the learned counsel submitted that the new or revised annual value of property under General Revision is calculated by using the new Basic Street Rate (BSR) arrived at by applying the Increase Factor recommended in G.O(Ms)No.53 and adopted in the Council*

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Resolution for each category of property, based on the area, usage and location; and the said concept of BSR is not a new one, but a system that has been in use for more than 30 years; and that, the inclusion of slab rates is an independent decision of the Government and the local body, to create an equitable and progressive tax structure and therefore, it cannot be held to be violative as alleged by the appellant. It is also submitted that as per the statutory provisions, the assessment of the annual value is a policy decision of the Municipal Council and the Commissioner. Thus, according to the learned senior counsel, the G.O and council resolution read with the 15th CFC recommendations, which were impugned in the writ petition, are only to make a case for property tax reform; and that, all the procedures have been rightly followed and the tax is levied in accordance with law.

3.Upon considering the rival submissions and perusal of the materials placed, this court is of the view that the issues involved herein, require an elaborate enquiry. Therefore, the matter is directed to be posted on 19.04.2023 for final hearing. However, considering the facts and circumstances of the case, this court directs the appellant to continue to pay the tax, at the rate fixed earlier. "

5.2. It is also submitted that the aforesaid W.A.No.163 of 2023 is now pending before the Division Bench of this Court. However, following the above interim order dated 28.03.2023 passed by the Division Bench of this Court in W.A.No.163 of 2023, this Court has also passed an interim order dated 05.10.2023 in W.P.Nos.33718 of 2022 & etc. batch.

6. The learned Standing Counsel for the respondents submitted that the Government of Tamil Nadu vide G.O.Ms.No.53 Municipal

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Administration and Water Supply Department dated 30.03.2022, enhanced the tax by 150% than the existing rates for the property measuring beyond 1,801 Sq.ft for both residential and non-residential buildings. It is further submitted that the 1st respondent has rightly revised the half yearly tax for the petitioner's property based on the said Government Order. Therefore, the learned Standing Counsel for the respondents prayed for dismissal of this writ petition.

7. Considering the above facts and circumstances of the case and having regard to the submissions made by the learned counsel on either side, this Court issues the following directions:

(i) The impugned Proceedings dated 27.07.2022 bearing No.III/1/2022-2023/121833 issued by the 1st respondent is quashed. Consequently, the case is remanded back to the 1st respondent for fresh consideration.

(ii) The petitioner is directed to consider the impugned Proceedings dated 27.07.2022 as Show Cause Notice issued by the 1st respondent and file his Reply/Objection along with the required documents, if any, within a period of four weeks from the date of receipt of a copy of this order.

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(iii) On filing of such Reply/Objection by the petitioner, the 1st respondent shall consider the same and issue a 14 days clear notice affording an opportunity of personal hearing to the petitioner. Thereafter, the 1st respondent shall decide the case in accordance with law, as expeditiously as possible.

8. With the above directions, this Writ Petition is disposed of. No costs. Consequently, connected Miscellaneous Petition is closed.

10.06.2025

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Index: Yes/No
Neutral Citation: Yes/No
Speaking Order (or) Non-Speaking Order

To
1.The Commissioner,
Corporation of Chennai,
Rippon Building, Chennai – 600 003.

2.The Revenue Officer,
Corporation of Chennai,
Rippon Building, Chennai – 600 003.

3.Assistant Revenue Officer,
Corporation of Chennai,
Zonal Office, No.VI,
158, Strahans Road, Pattalam,
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KRISHNAN RAMASAMY, J.

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