



ELCITA

Ref: ELCITA NOTIFICATION/007/2023-24

Date: 07-03-2024

**NOTIFICATION - PROPERTY TAX AND OTHER LEVIES**

It is hereby notified that ELCITA will be using the CVS (Capital Value System) Method to determine property tax applicable for the Financial Year 2024-25, for all properties at Electronics City, Phase I, II & III, as per GoK Notification No. 292724 DMA / DEV/TAX/3/2020 dated 19-02-2021.

Implementation of the new system will be in pursuance of various guidelines issued by the Government of Karnataka as mentioned hereunder: -

1. GoK Notification No. 292724 DMA/dev/tax/3/2020 dated 19-02-2021.
2. Notification on Guidance Value from the Stamps and Registration Department of the Government of Karnataka as prescribed under section 45B of Karnataka Stamps Act, 1957.
3. PWD guideline on relevant cost of construction as per Karnataka Gazette N&M/CVC/99/2023-24 dated 27-09-2023.

Unlike the simple calculation method that we used to adopt till now, the CVS method takes into consideration several aspects including the following: -

1. Guidance Value issued by the Government of Karnataka
2. Rate of Tax suggested by the Government of Karnataka
3. Construction Cost as indicated by PWD.
4. Year of construction to determine the depreciation applicable.
5. Number of floors in a building
6. Land occupied by buildings & Vacant land.

**Guidance Value**

Since Electronics City was created by KIADB after acquisition from three different Panchayats, viz., Doddathogur, Konnappana Agrahara & Hebbagodi, the guidance value will be as indicated for each of the Panchayats.

1. Doddathoguru KIADB Area – INR51500 per square meter or INR4784 per square feet
2. Konnapana Agrahara KIADB Area – INR46350 per square meter or INR4306 per square feet
3. Hebbagodi KIADB Area – INR46350 per square meter or INR4306 per square feet

*As per guidelines we will be considering 25% of the guidance value for the determination of property tax.*



ELECTRONICS CITY INDUSTRIAL TOWNSHIP AUTHORITY

ಎಲೆಕ್ಟ್ರಾನಿಕ್ಸ್ ಸಿಟಿ ಇಂಡಸ್ಟ್ರಿಯಲ್ ಟೌನ್‌ಶಿಪ್ ಅಥಾರಿಟಿ

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## **Rate of Tax**

The Rate of Tax would be as per guideline as follows: -

1. Building – 0.20% to 1.50% of 25% of the guidance value
2. Vacant Land – 0.20% to 0.50% on 25% of the guidance value

*As a principle, the committee has approved an increase of 15% in property tax this year for all entities.*

1. *To enable this, we shall apply the appropriate rate of tax to achieve this increase. The rate of tax will be changed within the suggested range to arrive at the aspired property tax for each property as may be necessary.*
2. *Increase would be capped at 15%- for most properties. Properties with large areas of vacant land might see higher percentages.*

## **Construction Cost**

*For all properties for which occupancy certificates have been issued before March 31, 2023, the construction cost would be INR 1364.72 Per SFT for the ground floor. All above floors would be considered at a construction cost of INR1207.72 per SFT and basements would be at 66% of the ground floor cost.*

*For all properties for which occupancy certificates have been issued after April 1, 2023, the construction cost would be INR3500 per SFT for the ground floor and INR3000 per SFT for all above floors. Basement would be at 66% of the ground floor cost*

## **Depreciation**

*Depreciation is roughly about 1% per year as per GoK guidelines. Where proof is available, the exact year of construction would be considered for working out the depreciation. Where proof is not available, year of construction will be considered as 2013, the year when ELCITA was formed and from when records are available.*

## **Land Occupied by Buildings & Vacant Land**

*Land occupied by buildings is all land that has been built upon and covers the plinth area. All other land within the property is considered as vacant land for the purpose of determination of property tax. Up to 1000 SFT of vacant land on which buildings have been constructed would be exempt from property tax and tax would be worked on all remaining land.*





*It must be noted that owners with substantial portions of vacant land will see a hike in property tax this year since even at the lowest slab, the applicable tax is higher than the tax paid in the erstwhile simple tax system.*

*The Government wishes to see generation of revenue from the land parcels that were acquired and allotted at low cost in the belief that the same would be put to good use, to build industries that would create job opportunities and revenues. Such land lying vacant defeats the purpose of allotment.*

***The management Committee has approved an annual increase by 3-5% for property tax for each year going forward.***

The Property Tax and other levies applicable for the financial year commencing April 1, 2024, to March 31, 2025, are as under:

S. No	TYPE OF TAX / LEVY	DETAILS	Rate per SFT
1	Capital Value-based Property Tax System (CVS Method)	CVS Method of calculation of Property Tax for the Financial Year 2024-25 has been adopted as per the GoK Notification No. 292724 DMA / DEV/TAX/3/2020 dated 19-02-2021	<ol style="list-style-type: none"><li><b>Property Tax for fully vacant land per SFT Per year</b> (0.20% to 0.50% on 25% of the guidance value of the land as prescribed under section 45B of Karnataka Stamps Act, 1957.)</li><li><b>Property Tax for the built-up-area of the Industrial / Commercial Properties per SFT per year</b> (0.20% to 1.50% on construction cost of the building)</li><li><b>Property Tax for the building plus Vacant / Open Area per SFT per year</b> (Adjacent to buildings, up to 1000 ft to be exempted from the property Tax. Property tax on vacant land above 1000 sq.ft to be charged not less than 0.20% and not more than 0.50% on 25% of the guidance value.)</li></ol>





S. No	TYPE OF TAX / LEVY	DETAILS	Rate per SFT/
2	Safety & Traffic Management Services  (GST to be paid directly by the organization on RCM basis)	Buildings – Built-up Area	1.75
3	Public Utility Services Charges	Buildings – Built-up Area	1.20
4	Infrastructure Charges	a) Built-up Area up to 20000 SFT	0.75
		b) Built-up Area 20001 Sq. ft and above	1.00
5	CISF Charges  (GST to be paid directly by the organization on RCM basis)	a) Built-up Area 0-20000 Sq. ft	NIL
		b) Built-up Area 20001 – 50000 Sq. ft	0.50
		c) Built-up Area 50001 – 200000 Sq. ft	2.00
		d) Built-up Area 200001 Sq. ft & above	5.00

### **Periodicity of payment and Interest**

The taxes and levies stated in the above table shall be paid not later than June 30, 2024. Any delay beyond June 30, 2024, shall attract interest at the rate of 24% per annum. The built-up area and open area shall be on a self-declaration basis. Any discrepancy observed in the future based on the verification of property documents shall result in penalties and interest payments for the short amounts paid, if any.

All unpaid taxes and levies for the period 2023-24 and prior years shall attract interest @ 24% per annum. Further, the authority will be forced to take necessary steps to initiate the recovery of the unpaid taxes and levies.





## ELCITA

### CISF charges

Electronics City (EC) faces several security challenges due to its prominence. A decision was taken in the year 2010 to appoint the services of CISF to protect the interests of organizations based in Electronics City. This service is found to be highly effective and we have continued to extend the services over the years. A Fee is collected from organizations annually towards payment for the same.

### Demand notes

1. ELCITA shall raise and send demand notes based on this notification by April 15, 2024.
2. Any changes in built-up area (BUA) shall be communicated to ELCITA along with supporting documents substantiating the data before April 1, 2024.

### Mode of Payment

The following modes of payment are available: -

S. No.	Mode of Payment	Details
1	Cheque / DD	Cheque / DD favoring “ <b>Electronics City Industrial Township Authority</b> ” to be delivered to ELCITA Office at #7(P), West Phase, Electronics City, BENGALURU 560 100
2	Net banking (Please mention the name of your organization and the specific service towards which the payment is being made in the remarks column while making online payments)	<p>1. RTGS / NEFT – ICICI BANK Name of Account holder – Electronics City Industrial Township Authority Branch – Electronics City Branch Account Number – 036005006618 IFSC CODE – ICIC0000360</p> <p>2. RTGS / NEFT – STATE BANK OF INDIA Name of Account holder – Electronics City Industrial Township Authority Branch – Electronics City Branch Account Number – 42721960389 IFSC code: SBIN0063971</p>

Any clarifications regarding the above can be obtained through e-mail to [prasanna.b@elcita.in](mailto:prasanna.b@elcita.in) or in person at ELCITA Office during working hours.



**Authorized Officer**  
**Electronics City Industrial Township Authority**