

ELECTRONICS CITY INDUSTRIAL TOWNSHIP AUTHORITY

(FREQUENTLY ASKED QUESTIONS (FAQs))

PROPERTY TAX, USER FEES AND OTHER LEVIES – FY 2026–27

1. GENERAL

1.1 What does this notification cover?

The notification issued by the Electronics City Industrial Township Authority (ELCITA) covers:

- Property Tax (under Capital Value System)
 - Government Cess
 - Solid Waste Management (SWM) User Fee
 - CISF Charges
 - Infrastructure Charges
 - Safety & Traffic Management Charges
 - Service Charges for Property Tax exempted properties
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1.2 From when is the new notification effective?

All revised taxes and levies are applicable from **01 April 2026** for FY 2026–27.

1.3 When will demand notes be issued?

Demand notes will be issued on or before **15 April 2026**.

1.4 What is the due date for payment?

All payments must be made on or before **30 June 2026**.

1.5 What happens in case of delay?

Delayed payments will attract **interest at 24% per annum**, calculated for the period of delay.

2. PROPERTY TAX (CVS METHOD)

2.1 What system is used for property tax calculation?

Property tax is calculated using the **Capital Value System (CVS)** as per Government of Karnataka guidelines.

2.2 Has property tax increased this year?

Yes. An **overall average increase of approximately 3%** has been applied across properties.

2.3 Why is there an increase?

The increase is to:

- Address rising operational and maintenance costs
- Maintain infrastructure quality
- Ensure financial sustainability

The increase has been kept moderate and within statutory limits.

2.4 Will all properties see exactly a 3% increase?

Not necessarily. The **3% is an average increase across all properties**. Individual property tax may vary depending on:

- Property characteristics
 - Applicable tax rate within statutory range
 - Depreciation and other factors
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2.5 What factors are considered in calculating property tax?

Key factors include:

- Guidance Value
 - Construction Cost
 - Age of building (depreciation)
 - Built-up area
 - Vacant land area
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3. SOLID WASTE MANAGEMENT (SWM)

3.1 Has the SWM User Fee been revised?

Yes. The **fee structure has been revised and rationalized** based on built-up area and waste generation levels.

3.2 Why has the SWM fee been revised?

The revision reflects:

- Decrease in cost for smaller entities; increased waste slab ranges (Permissible weight)
 - Marginal increase for large entities, per annum
 - More Uniformity across slabs
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3.3 What is the surcharge for excess waste?

The surcharge has been revised to **₹5.50 per kg** for excess wet and mixed/reject waste.

3.4 How is excess waste calculated?

Excess waste is determined based on quantities exceeding the permissible monthly limits for your slab.

3.5 How will excess waste be billed?

Excess waste will be **assessed and billed on a quarterly basis**.

4. CISF CHARGES

4.1 What is the major change regarding CISF charges?

CISF contribution, which was earlier voluntary, is now **mandatory from 01 April 2026**.

4.2 Why has CISF contribution been made mandatory?

Security services by the Central Industrial Security Force (CISF):

- Benefit all organizations within Electronics City
- Have significantly increased in cost
- Require stable and predictable funding

The voluntary model resulted in uneven participation and funding gaps.

4.3 How are CISF charges calculated?

Charges are based on a **slab system linked to built-up area**, ensuring proportional contribution.

4.4 Are small companies required to pay CISF charges?

No. Units with built-up area up to **20,000 SFT are exempt**.

4.5 Will this significantly increase costs for companies?

For most organizations, **total CISF contributions are expected to remain broadly similar to previous years**, as the structure has been designed to avoid sharp increases.

4.6 What are CISF charges used for?

They fund:

- CISF personnel deployment
 - All related expenses for CISF deployments
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5. INFRASTRUCTURE & SAFETY CHARGES

5.1 What are Infrastructure Charges used for?

They support:

- New Infrastructure upgrades
 - Renovation of ageing infrastructure
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5.2 What are Safety & Traffic Management Charges?

These charges support:

- Traffic regulation
 - Road safety measures
 - Coordination of on-ground safety systems
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6. SERVICE CHARGES (EXEMPT PROPERTIES)

6.1 What are Service Charges?

Service Charges apply to properties that are exempt from Property Tax (Mainly Government Organizations) but who continue to receive civic services.

6.2 What is the applicable rate?

Properties exempt from Property Tax will be subject to Service Charges at 75% of applicable Property Tax, in accordance with statutory provisions.

6.3 Why are Service Charges being levied?

To ensure **equitable contribution** from all entities benefiting from civic infrastructure and services.

7. COMPLIANCE & DECLARATION

7.1 How is built-up area determined?

Built-up area is based on **self-declaration and approval plans available with the Authority.**

7.2 What if there is a discrepancy later?

If discrepancies are identified during verification:

- Differential tax will be levied
 - Interest and penalties may apply
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7.3 What should organizations do before the notification takes effect?

- Review built-up area details
 - Submit any corrections with supporting documents before **31 March 2026**
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8. SUPPORT & CLARIFICATIONS

8.1 Who can we contact for clarification?

Property Tax & Levies: prasanna.b@elcita.in

SWM User Fees: Brunda.m@elcita.in

ELCITA Office, Electronics City

9. KEY TAKEAWAYS

- Moderate **~3% average increase** in property tax
- **SWM charges revised** with higher surcharge for excess waste
- **CISF contribution now mandatory** with equitable slab structure
- Continued investment in infrastructure and services
- Stronger compliance and sustainability framework
- Introduction of Service Charges for the properties exempted from the property tax.