

**A Study on Contribution of House and Land Tax
To Total Revenue
Of
Kathmandu Metropolitan City**

A THESIS

**SUBMITTED BY
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RECOMMENDATION

This is to certify that the Thesis

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has been prepared as approved by this Department in the prescribed format of Faculty of Management. This thesis is forwarded for examination.

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VIVA-VOCE SHEET

We have conducted the VIVA-VOCE examination of the Thesis presented

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And found the Thesis to be original work of the student written in accordance with the prescribed format. The committee recommends the Thesis to be accepted as partial fulfillment of the requirements for the degree of Master of Business Studies (M.B.S).

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DECLARATION

I hereby declare that the work reported in this thesis entitled “*A Study on Contribution of House and Land tax to Total revenue of Kathmandu Metropolitan City*” submitted to the Shankar Dev Campus, Tribhuvan University, is my original work. It is done in the form of partial fulfillment of the requirements for the Master Degree of Business Studies (MBS) under the supervision and guidance of Prof. Dr. Kamal Deep Dhakal and Mr. Romakant Bhattraï of Shankar Dev Campus.

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ABBREVIATIONS

%	Percentage
AD	Anno Domini
BS	Bikram Sambat
CIAA	Chief Commission of the commission for investigation of abuse of authority
C. V.	Coefficient of Variation
DDC	District Development Committee
FM	Frequency Meter
FY	Fiscal year
GTZ	German Technical Cooperation
HALT	House and Land Tax
i.e.	That is
IPT	Integrated Property Tax
IRO	Inland Revenue Ordinance
KMC	Kathmandu Metropolitan City
LBFC	Local Bodies Fiscal Commission
LDF	Local Development Fee
LSGA	Local Self Government Act
LSMC	Lalitpur Sub-Metropolitan city
MCPM	Minimum Condition Performance Measure
MLD	Ministry Of Local Development
MoF	Ministry of Finance
MoLD	Minimum Standard of local development
MUAN	Municipal Association of Nepal

NIDC	Nepal Industrial Development Cooperation
Sq. ft	Square feet
S.D.	Standard Deviation
T.U	Tribhuvan University
UDLE	Urban Development through Local Efforts Programmed
U.S	United State
VDC	Village Development Committee
WAM	Weighted Average Mean
WTO	World Trade Organization

Chapter I

Introduction

1.1 Background

Nepal is the landlocked country nestled in the heart of the majestic Himalayan, with china to the north and India to the south. This kingdom of Nepal lies between 80 4' and 88 2' east longitude and 26 north latitude. Nepal is 885 Km long and 90-220 Km wide; with a total area 147,181.It has a mixed economic structure. Its economy mostly depends on the agriculture. More than 80 % of the population involve in agriculture sector to their livelihood. About 20% Nepalese citizen are involved in other sector such as industrial sector, Tourism sectors and service sector etc.

Nepal is the least developed country in the world. Nepal has strived to achieve its economic development but it has not as enough development infrastructures as required for the country. The government raises required resources in forms of revenue, grants & loan and utilizes them to run its day to day administration and carry out socio-economic development activities so as to fulfill the interest of people and nation. Due to the limited resources, the projects and program of the government has depended on foreign grants and loans. These foreign grants and loans are external sources of fund .This kind of fund is received from foreign countries and international organization. But external sources are uncertain inconvenient and they have to pay after certain time. Therefore to reduce the dependency on grants and loan government should give the emphasis to the internal resources. Internal sources of funds can be raise within the nation. It is certain, convenient and it reduce the dependability to other countries. There

are two types of internal sources of fund that the government can raise as revenue i.e.

Tax sources and Non tax sources.

Non Tax Revenue:

The revenue obtained by government from sources other than tax is called Non tax revenue. It is collected by public authority for rendering a service to the citizen. The sources of non tax are fees and penalties, surplus from public enterprises, special assessment and grants and gifts etc. In those days, the government has also increased their reliance on non tax sources. In Nepal 15 % of revenue collected from non tax sources.

Tax Sources

Tax source is the contribution of people and organization to the government from their income in form of direct and indirect tax. It is a permanent instrument of collecting revenue. Tax amount is spent for common interest of people. It is collected from haves and spent for the interest of have not in the society. Tax serves as an instrument for promoting economic growth, stability and efficiency and it is one of the ways through which regional disparities can be minimized.

Pro.Seligman defined tax as “a compulsory contribution from person to the government to defray the expenses incurred in the common interest of all without reference to special benefit conferred.” (Bhattarai, Ishwor 2007)

According to **Dalton** “A tax is a compulsory contribution imposed by a public authority irrespective of the exact amount of services rendered to the tax payer in return”. (Kadel, Puspa Raj 2007)

In Nepal, government authority has been collecting taxes since last forty five years with institutional mechanism. Till the year of 1951, the tax and fees are charged in very few items. Some of these items are malpot (land tax) tax in forestry resources and custom duties. Since 1960 taxes were collected under the finance act, 1960 and samasamayik kar asul upar ain (contemporarily tax collection act) 1955. This was the first statutory provision in tax collection in Nepal.

In tax system, any tax cannot be imposed and collected without consent of people's representatives. Taxes are collected under the laws. The state has made two types of authority in Nepal for levied the taxes.

Centralized: - A state system, in which the power is vested on the central government and parliament is known as the centralized system. In this system, only the central exercised the legislative, executive and judicial power. In this system, there is a centralized administration control, central budget system and central planning system.

Decentralization: - According to Ulrich Cloety, Professor of Zurich university, devolution is related to dual federalism. In this system, there is a division of work, duties and rights constitutionally among the elected local government unit. This system allows a provision of the local governments fully responsible to people and powerful for

all functions under their jurisdiction and such governments are elected directly by people. In this system, an arrangement is made to ensure that the local government agencies including citizen, community and local communities could exercise their rights freely and complete all functions promptly from the specified level as the concept of subsidiary principle. (Sapkota, Krishna Pd. 2007)

1.1.1 House and Land Tax (Property Tax)

A house and land tax is an ad-valorem levy on the value of property or simply, it is imposed on value of house and its compound. This is also called House & Compound tax, wealth tax and property tax etc.

House and land tax was introduced in European countries more than 100 years ago. In Nepalese context, the first elected government introduced this tax. Initially the houses & land tax were collecting by central government under the house and land tax act 1962. However due to the weakness of centralization, the constitution of kingdom of Nepal has introduced decentralization system, as a means to ensure optimum involvement of the people. In decentralization, local bodies have enjoying the authority of decision making. It is necessary to inspiring the people for their participation in development, improve service delivery and to address the regional disparities. Through decentralization the government expects to improve accountability of local bodies to the people.

In the course of strengthening the decentralization process, Local self governance act 2055(1999), Local self governance rules, 2056(2000), Local body Rules, 2056(2000) have been implemented during the ninth plan period. Under this act and regulation, the Nepalese VDC and municipality has been collecting the house and land tax. And this act provides the municipalities and the VDC the authority to plan and execute development project locally.

In the context of Nepal, there are five development region and 75 administrative districts. The districts are further divided into small units call municipality and VDC .At present; there are 3913 VDC and 58 Municipalities in the country. Among 58 municipalities, there is one large metropolitan city i.e. Kathmandu metropolitan city (KMC).

1.1.2 Kathmandu Metropolitan City

Kathmandu is the capital, and the largest metropolitan city of Nepal, The city stands at an elevation of approximately 4600 ft in the bowl –shaped valley in central Nepal. It is the urban center of Nepal and includes two major cities Lalitpur and Bhaktapur. Around 20% of the country’s urban population, 701,962 inhabitant (2001 censuses), call KMC home. And average population density of Kathmandu is 175.7per/hectare. According to the last census (2010) population of Kathmandu valley are 1,740,977.

KMC is a local level city government. It was initially introduced as a local government body in 2 Poush 1976 B.S. (Dec 1919) as safai adda (clearing office).It is also known as

the first local government of Nepal. In 1989 B.S. the cleaning office was replaced by municipal office. KMC has become the metropolitan city in 29 Magh, 2052 BS (1995).

KMC is divided into five sectors namely the center sector, the east sector, the north sector, the city core and the west sector. For local administration the city is further divided into 35 administrative wards. Ward 16 is the largest with an area of 437.4 ha and ward 26 is the smallest with an area of 4 ha.

The council administers the metropolitan area of Kathmandu city through its 177 elected representatives and 20 nominated members. The council meets twice a year to review process, approve the annual budget and make major policy decisions. The council is institutional with mayor, Deputy Mayor; ward chair person and wards members. There are 14 departments of the KMC government with approximately 2500 staff.

KMC has been provided the specific rights and duties by the specific law. KMC is formed and run by Local Governance Act 2055 and its regulation 2056. (Source: Journal of Kathmandu Metropolitan City)

The KMC is a municipal service provider, engaged in public welfare service and infrastructure development activities. For running and maintaining of these services, KMC assigned a number of taxes and other sources of revenues, such as property tax, business tax, Vehicle tax and rent tax etc. Taxes are being collected at ward level.

1.2 Statement of problem

Tax is the major sources of the central as well as the municipality (Local) government revenue. Among various types of tax ‘House and land tax’ is one of the major sources of revenue. In case of Nepal there is 58 municipalities, among them there is one metropolitan city i.e. .Kathmandu Metropolitan City (KMC).

Kathmandu is the capital of Nepal and it is also an urban center of Nepal. It has a huge population density; According to 2001 census, around 20% of the country’s urban population, 701, 962 inhabitant, call KMC home and there are 235, 387 households in the metropolitan city, from which government can collect huge amount of revenue as house and land tax. However, KMC is yet to date unable to raise expected revenue from house and land tax due to the inefficient tax administration, lack of taxpayer’s database, less priority on paying the tax in time and evasion problem.

There are no clear and updated provisions in house and land tax act 1962 and its rules. The provision of house and land taxation has made the confusion on house and land taxation to taxpayers as well as to the administration. The existing legal provision regarding house and land taxation cannot address of all the issues on house and land taxation.

Above mentioned reason and lack of resources and manpower, KMC is not able to fully accommodate its responsibilities and duties.

KMC has been continuously facing the following problems:-

1. Does the House and land tax bridge the gap between the local resources and the expenditure for local development and providing city services?
2. Does the existing house and land tax have sufficient provision?
3. Is KMC able to collect the budgeted amount of house and land tax efficiently?
4. What are the major constraints that hinder the collection of house and land tax of KMC?
5. Is the procedures and mechanism of house and land tax system is simple and clear?

1.3 Objective of the study

The main objectives of the study are as follows:-

1. To find out the contribution of house and land tax to the total revenue of KMC.
2. To analyses the budgeted and actual collection of house and land tax of KMC.
3. To find out the variables that creates the inefficiency in the collection of house and land tax in KMC.
4. To analyses the tax payer's perception with the existing house and land taxation.
5. To determine the level of satisfaction of house and land tax payer regarding the utilization of collected revenue.

1.4. Significant of the study

In developing economies resource gap is critical and widening that results huge fiscal & budgetary deficits. The growing resource gap is frequently of by mobilizing internal & external borrowings and consequently shifting the burden of debt to posterity. Therefore revenue mobilization is challenging proposition in an economy like Nepal. The tax burden ration is estimate to be 15.7% of GDP in FY 2008/2009. In Nepal's tax structure revenues are buoyant but inadequate to supplement development activities. (Source: Dahal 2009). However, House and Land Tax (Property Tax) can be one of the major sources to raise revenue to make empowered local body, which has given great contribution to the overall revenue collection of the nation.

1. This study will be focus on the issues and practices regarding to the house and land taxation of KMC, from which the level of satisfaction of House and Land Taxpayer can be determine.
2. This study will also analyze the variables that create the inefficiency in the collection of house and land tax in KMC, from which the problems and prospects regarding house and land tax can be trace out.
3. This study will help to provide the knowledge of the major provisions of House and land tax acts at a glance.
4. Furthermore, this study will help to all those people, who are interested to know the performance of KMC regarding the collection of house and land tax.

5. This study will also be useful to other municipalities to improve tax collection system. Moreover, this study will help not only to the researcher but also help to the tax officer working in this field.

1.5. Limitation of the study

In the field of the every study it has got some limitations. This study also is not free from limitations. The main limitations are as follows.

1. The study has been done for the partial fulfillment of MBS degree in management. This is not a comprehensive study.
2. The trend of house and land tax collection by KMC may not represent the same result all over the Nepal i.e. study is mainly focused in Kathmandu only.
3. This study cannot present overall year's information as it has taken five to seven fiscal years for the thesis writing.
4. In the context of Nepal related sectors still are unable to provide relevant data properly. There is no systematic database that makes it difficult to carry out on any research in Nepal. Sometimes authority person do not co-operate to provide relevant information and this problem is also fit in with this study.
5. Limited statistical tools and techniques have been used.
6. The views of respondents are collected from some wards only. Whole ward respondent could not include in this study.

1.6 Organization of the study

1. Chapter I: Introduction

The first chapter is the introduction. It deals with introduction of the main topic of the study like general background, statement of problem, objectives and significance of the study, methodology used in study, limitation of the study and organization of the study.

2. Chapter II: Review of Literature

The second chapter is review of literature and conceptual frame work. It deals with the review of the available relevant studies. Books, unpublished dissertation, reports and articles will be review for the study.

3. Chapter III: Research Methodology

Third chapter is research methodology, which include research design, sources of data and collection procedure as well as data processing and presentation.\

4. Chapter IV: Data presentation, analysis of Data

The fourth chapter is data presentation and analysis of all the relevant collected data. This is main part of the study which includes overall data tables, diagrams or charts.

5. Chapter V: Summary, Conclusion, Recommendation and Suggestion

This chapter includes the summary of the study, the major findings, conclusion, recommendation and suggestion on the basis of the study.

6. Bibliography

It consists of list of published and unpublished books, articles, thesis etc, which have been sources of the information and used as reference in the research time.

7. Appendix

It consists of relevant materials which is not much worth meaning in the main body of the report.

Chapter II

Conceptual Frame Work and Review of Literature

The second chapter is about the review of literature and conceptual frame works. Through the review of literature, we can know the possible relevant studies, their conclusion, finding and recommendation. Many books, dissertations, articles and reports had been reviewed to perform this research study.

The purpose of this review is to bring in light in brief the important work done on house and land taxation in Nepal and what remain to be done. So some of the literature related to house and land tax has been review in the following according to the previous date.

2.1 Conceptual Framework

First of all, we must have to know about tax before going to the meaning of the property tax.

2.1.1. Tax

The term 'Tax' refers compulsory contribution from a person to government without having any direct personal benefits. It is a liability to pay an amount to the government. Tax is a compulsory levy imposed by government. Tax amount is spent for common interest of the people. Tax is a permanent instrument of collecting revenues. It is a major source of revenue in the developed world and has been appearing as an important source of revenue in the developing world as well.

Tax collecting by the government is expended for carrying out various welfare activities, to handle day to day administration, to maintain peace and security.

Many economics and scholars have expressed their views in regarding to the tax. Some of the definitions on tax given by some scholars are as follows,

Prof. Seligman defined tax as “a compulsory contribution from a person to the government to defray the expenses incurred in the common interest of all without reference to special benefit conferred”.

Findlays Shirras defined tax as “a compulsory contribution to public authorities to meet the general expenses of the government which have been incurred for the public good and without reference to special benefits.” (Kadel, Pushpa Raj 2003)

2.1.2. Objectives of tax

Generally tax has the following objectives;

- To raise more revenue.
- To redistribute wealth for the common good.
- To remove regional disparities.

2.1.3. Classification of Tax

Basically, tax can be classified in two board categories’,

- Direct Tax
- Indirect Tax

Direct Tax

Direct Tax is;

- Income Tax
- Property Tax
- Vehicle Tax
- Gifts Tax etc.

Indirect Tax

Indirect Tax is;

- Vat
- Sales Tax
- Entertainment Tax
- Hotel Tax
- Excise duty
- Import and export duty etc.

2.1.4. Property

The term property refers to a land building, vehicle, gold, silver farmland or anything else that are owned by the people. Property also refers to any types of capital goods that are owned such as machinery, raw material, finished products, furniture, livestock and harvested crops. There are two ways to classify property namely Real Property and Personal Property. (Carlson, Richard Henry 2004)

1. Real Property

Real property including land and things permanently attached to it such as building etc. Real property consists of immovable thing .Real property also called real estate. This type property must be transferred in written way.

Land value and building values are subject to different conditions. Land may increase in value while the building on it is decreasing in value. Different methods are used in evaluation the two kinds of property. In case of building depreciation must be considered but not for valuating land. (Carlson, Richard Henry 2004)

2. Personal property

Personal property including all other kinds of property such as furniture, vehicle, stock and harvested crops, gold, silver etc. personal property consists of movables man made objective. This type of property is much easier to transfer than real property. Personal property may be transferred orally .personal property is classified into tangible and intangible. (Carlson, Richard Henry 2004)

a) Tangible personal property

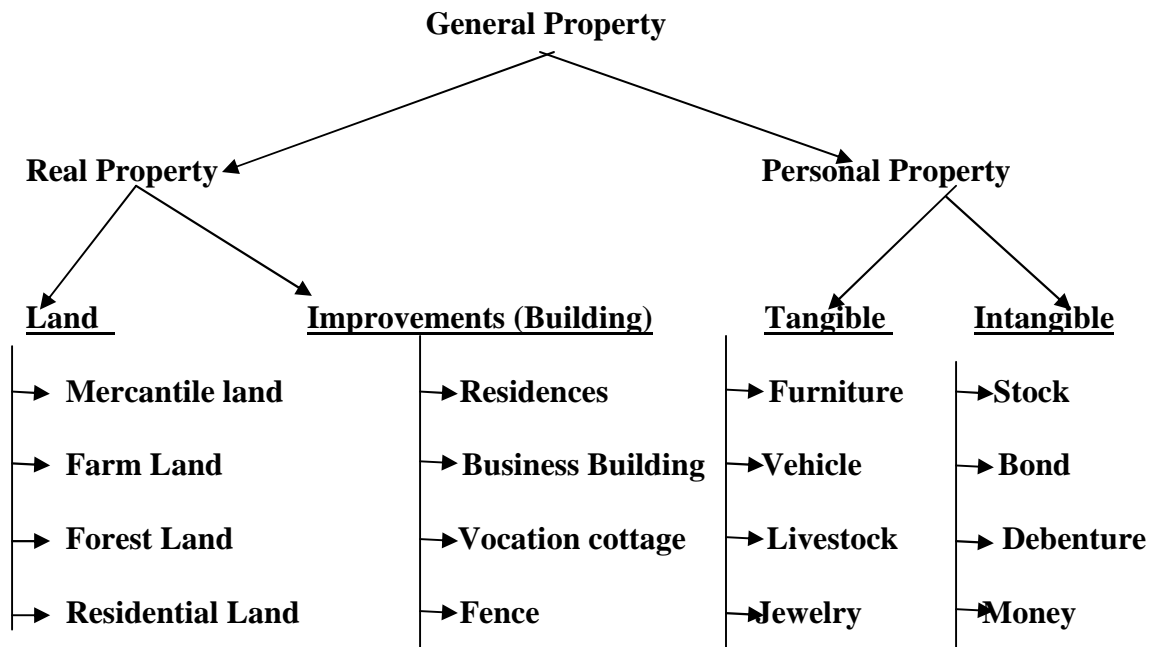
Tangible personal property includes a great variety of goods merchants and manufacture stock (inventories), furniture, machine, harvested crops, jewelry etc.

b) Intangible Personal Property

The second category of personal property is intangible property. This class consists of stocks, mortgages, deposits, copyrights, patents, goodwill, franchise value etc. (Carlson, Richard Henry 2004)

2.1.5 General property Tax

General property tax is a tax upon all wealth, tangible and intangible, which possesses exchange value. The chart of General property is given below,



2.1.6. Property Tax

Property taxation is the compulsory payment to the public authority, which is based on the capital value of the property. In law the courts define property tax as the right to possession, enjoyment and disposition of all things subject to ownership.

Property tax exists in all over the world in many forms. In most of the countries, Property tax is collecting by local or state government rather than central government. Property tax is most important revenue source for local governments.

The property tax is historically associated as local tax in most countries. One reason that taxes on land and property have been considered to be appropriate especially as a local revenue source is that real property is immovable. A second reason is the connections of local property taxed to many of the service typically funded at the local level and the benefit to property values.

There are four characteristics of the property tax, which differentiate it to some, extend from other taxes:-

1. Property tax is a visible tax:

Unlike the income tax, for example, the property tax is not withheld at source. Rather, it generally has to be paid directly by taxpayers in periodic lump sum payments. This means that taxpayers tend often to be more aware of the property taxed they pay than they are of other taxes. Furthermore the property tax finances services which are very visible, such as roads garbage collection, and neighborhood parks. Thereby tax payers can get aware of the costs of local public services.

2. The base of property tax is relatively inelastic:

It means it does not increase automatically over time. Property values generally respond more slowly to annual changes in economic activity than do incomes. Municipalities update property values for taxation purpose on an annual basis or even in terms of 5 years. As a result, in order to maintain property tax revenues in real terms. It is necessary to increase the rate of the tax. As with visibility, in elasticity a lead to greater accountability but it also leads to greater taxpayer resistance.

3. Property tax based on asset value:

Tax on land and property are generally based on asset values (capital or rental) Therefore valuation is inevitable. If there is a self-assessment system, owners are likely to undervalue their property. If there is an official assessment system, owners are likely to feel that their property is overvalued. However, under official valuation process, the Nepalese municipalities Dhangadi and Dharan undervalued the property of taxpayers due to resistance from taxpayers. For this reason it is not surprising that the process of obtaining good valuations is not likely to be cheap.

To the extent property taxes are levied only by local governments they obviously act as main support to local autonomy .An essential ingredient of responsible local autonomy is to set the tax rates locally.

In the international context, local property taxes are in all countries the best minor revenue source. Local property taxes are an important tax for sub-national revenue, rather in developing countries than in developed or transition countries.”Property tax is

at present and will most likely continue to be an important source of revenue in urban councils.

2.1.7 Historical background of property tax

Since the beginning of civilization property taxes have been a major source of revenue for most governments.

Property taxes were used in Egypt, Babylon, Persia and throughout the ancient world. Most of the people were poor and lived in hovels. The primary focus of early property taxation was land and its production value.

Ancient Time

Lagash

The earliest known tax records dating from approximately six thousand years B.C are in the form of clay tablets found in the ancient city state of Lagash in modern day Iraq, just northwest of Tigris and Euphrates rivers. The King used a tax system called bala, which meant rotation .In Lagash taxes were very low but in a time of war the tax rate was 10% of all goods which were primarily composed of good.

Egypt

In Ancient Egypt, taxes were levied against the value of grain, cattle oil, beer and land. So the most common taxpayers were the farmers, from whom assessors collected the tax. And if a taxpayer did not or was not able to pay, he was brought before courts that immediately dispensed justice.

Rome

Caesar Augustus was considered by many to be the most brilliant tax strategist of the Roman Empire. During his reign as “first citizen” the publicans were virtually eliminated as tax collectors for the central government. During this period cities were given the responsibility for collecting taxes.

From roughly 200 B.C to 300 A.D, Romans paid property taxes on the value of land, buildings, livestock, trees, vines and other personal property. (www.taxworld.org.com)

Medieval Times

Great Britain

The first tax assessed in England was during take up by the Roman Empire. Lady Godiva was an Anglo-Saxon woman, who lived in England during the 11th century. According to legend, Lady Godiva’s husband Leofric, earl of Mercia, promised to reduce the high taxes he levied on the residents of country, when she agreed to ride naked through the streets of the town.

After 1066, William the Conqueror created an early form of land taxation. Town officials kept cadastral records of everyone who owned property. Each parcel was measured, its value estimated. Each town kept a book of assessment of each property and the total amount of property tax due for each person. This book was called the Domesday book.

By the sixteenth century, the king's own lands and estates were taxed, in 1689, the English bill of rights endorsed a law that the king could not tax without parliament's consent.

After 1290, personal property taxed was implemented with exemptions for the poorest (i.e. those whose assessments were less than a shilling). The church was also exempt, as were certain items such as a knight's armor and a merchant's capital. The personal property tax rate was one tenth for those who resided in cities and one fifteenth for rural residents. (www.taxworld.org.com)

United States

In the United States, property tax on real estate is usually levied by local government, at the municipal or county level. Rates vary across the states, between about 0.2 % and 4% of the home value. The assessment is made up of two components-The improvement or building value, and land or site value. In some states, Personal property is also taxed. The property tax is the main tax supporting local education, local government, some free medical services, and most of other local infrastructure. Also, many U.S state and local jurisdictions impose personal property taxes.

When the revolutionary war began, the colonies had well-developed tax system that made a war against the world's leading military power thinkable. The tax structure varied from colony to colony, but five kinds of taxed were widely used.

Property taxes were usually specific taxes levied at fixed rates on enumerated items, but sometimes items were taxed according to value. Throughout the nineteenth century, most state and local governments raised their revenue through the property tax.

In the twentieth century, the property tax is a major source of revenue. At the time of the 1902 census of government, the property tax provided forty-five percent of the general revenue received by state governments from their own sources (excluding grants from other governments). That percentage declined steadily, taking its most precipitous drop between 1922 and 1942 as states adopted sales and income taxes.

In fiscal year 1999, local governments received 228 billion in property tax revenue. Today property taxes are an insignificant source of state tax revenue. (Carlson, Richard Henry 2004)

In Australia, local government or council has collected the property tax. Australia has property taxes known as property or land rates. Land rates and frequency of payment are determined by local councils. Each council has a land valuator who values the land's worth. The assessed value of the land determines the total charges of rates; rates can range from \$100 per quarter to \$1,000.00 per quarter depending on the location and value of the land. (www.en.wikipedia.org)

Argentina local governments levy an earnings tax which applies to urban and rural land improvements on the official value. The general rate is 0.1% however applies a progressive rate with a maximum of property and local taxes on acquisition.

In Netherlands property tax is levied on homes on a municipal basis in two parts:-for the one who lives in the house and for the owner of the house. (Shrestha, Raj Kumar 2010)

In Hong Kong, there is kind of tax named a property tax, but it is not an ad-valorem tax, it is actually classified as an income tax. According to Hong Kong Inland Revenue ordinance IRO, all property owners shall not be subject to this tax; unless the Hong Kong property owner has received a consideration, the example is rental income for the year assessment. The property tax shall be computed on the net assessable value at the standard rate. (www.en.wikipedia.org)

In Guatemala, a municipal tax on urban property is based on actual or presumed income. There is also a national tax in real property levied on a personal basis on the total official value of the real property of each taxpayer. The rates range from 0.3% to 0.6% revenue from property tax in selecting developing countries.

Estonia's land tax was introduced in 1993 as an integral part of both land and fiscal reforms. The tax on land levied on both public and private lands with few exemptions, was intended to stimulate the efficient use of land. Estonia local governments select a market value tax base.

In 1960 the selected Asian nations, Indonesia, republic of Korea, and Thailand made only small use of urban property taxation. (Shrestha, Raj Kumar 2010)

Finally, the property tax is the most widely used municipal revenue source in developing world as well as develop country. In large urban population, some form of

property tax is assigned to the support of local government. To increase the expenditures on municipal services, local government frequently look to the property tax as a promising source of additional revenues.

2.1.8 House and Land Tax in Nepal

House and land tax or property tax in Nepal is in developing stage. Initially, it was introduced as a property tax that consists of bank balance, vehicles, gold, silver, household property, investment on securities along with the house and land of urban areas. As property tax provision has complication in property tax execution, house and land of urban areas are only make the subjected to property as well as house and land tax. Sometime in Nepal the property tax also consists of only the house and land.

In Nepal the house and land tax was introduced on 1959 A.D as a central tax. In Nepal first elected government introduced this tax. The fiscal act, 1959 had a provision of property tax on foreign investment and house and land of urban areas. The fiscal act 1959 had a tax rate of Rs.30 for first 70,000 after 25000 exemption and then Rs.12 per thousand. To make the procedures and tax system more specific the special Act, property tax Act, 1960 (2017) was announced.

Initially, this tax was introduced in Kathmandu, Lalitpur, Bhaktapur, Biratnagar, Birgung, Nepalgunj, Rajbiraj, Janakpur and Butwal. Later, in 1963/64 it was extended to Bhadrapur and then to Dharan. In 1964/65, it was extend to Bhairahawa, Pokhara, Palpa and Hetauda.

Property tax act 2017 was enacted to collect tax from property. Urban House and land and foreign investment were taxed at the same rates under property tax at 2017. Under the provision of property tax, Nepalese government framed property tax rules 2017. A separate house and land tax act, 2019 was enforced and subsequently, house and land tax rules 2020 was then enacted which repealed the existing property tax act 2017. Earlier central government used to impose property tax under prevailing acts and rules.

The property tax was exercised till the fiscal year 1994/95 (2051/52). Fiscal act 1995 (2052) has postponed the property tax act and the house and land tax act was again exercised since fiscal year 1995/96 (2052/53). This has made provisions of taxes levied on the urban house and land of metropolitan cities, municipalities and other notified VDC.

After introduction of local self governance act (LSGA) in 1999 (2055), Property tax is given to local bodies right now. Local bodies are levying property taxes under local self governance act 2055, its rule 2056 and finance act 2000. This act has repealed village development committee act, 2048, municipality act, 2048, District development act, 2048 and decentralization act, 2039. Currently, House and land tax act 2019, property tax act 2047 and local self governance act 2055 have been implemented in the collection of property tax. However, the previous law and rules are also considered for house and land tax purpose when the LSG act 2055 is not sufficient to cover some aspect. (LSGA 2055)

By the statutory provision, Municipalities have got the big chunk of local resources to enjoy its financial autonomy. After shifting the power of house land tax collection to the

municipalities, it is supposed to strength municipal fund. It is expected that the additional resources would bridge the gap between the local resources and the expenditures required for local development and providing city services.

In the year 1999/2000, the local self governance has introduced two different types of local property taxes 'House and land tax and integrated property tax.

2.1.9 House and land tax

House and land tax is levied upon the net taxable value of real estate and the plot or compound on which the real estate is located. Valuation of property is based on the size, type, construction type, physical condition of the house and the compound covered by the house. In regards with house and land taxation, land is not a separate unit. House and land tax has no ceiling within the municipal board can fix different rates. Tax rate for each value of the property is charged as prescribed by the LSGA.

LSGA has classified the houses in the basis of their size, type, design and structure. On the basis of structure, houses are being classified as follows:-

- a. Green Bricks with mud mortar and houses made of timber.
- b. Kiln Brink with mud mortar or stone houses with mud mortar.
- c. Kiln Brick with cement mortar.
- d. RCC frame structure houses.

All land in Nepal is defined by land parcels as real property. A property may consist of the land the fixtures. In short, structures that are attached to the property in a more permanent basis are fixtures according to law. The most common fixtures are trees and building. Real property owned by the state (government), local municipalities or nay other public body is treated in the same way as property owned by a private individual. The property records are open to the government and the public.

The act has also classified land into following categories:-

- Abbal
- Doyam
- Sim
- Chahar
- Raikar
- Birta
- Jagir
- Kipat
- Rakam
- Guthi

2.1.10 Methods of valuation of House and Land

a. Since fiscal year 1992/93 (2049/50 BS), fiscal act had categorized the house in the following 4 types.

Table 1

S.No.	Classification of Houses	Average cost per sq.ft(In Rs)	Depreciation Per year (%)	Total Life in year
1	Green (Raw) Bricks with mud mortar	150	3	25
2	Kiln Bricks (Stones) with mud mortar	200	2	30
3	Kiln Bricks with cement mortar	230	1	70
4	RCC frame structure	240	0.75	100

b. Valuation rate of building has been changed in fiscal years 2050/51 by the fiscal act, 1993 as,

Table 2

S.No.	Classification of Houses	Average cost per sq.ft (In Rs.)	Depreciation per year (%)	Total life in year
1	Green (Raw) Bricks with mud mortar	300	3	25
2	Kiln Bricks (Stones) with mud mortar	350	2	30
3	Kiln Bricks with cement mortar	380	1	70
4	RCC frame structure	400	0.75	100

c.) Valuation rate of building has been changed in fiscal year 1996/97 (2053/54) by the fiscal act, 1996 as:

Table 3

S. No	Classification of Houses	Average cost per sq.fit (In Rs.)	Depreciation per year (%)	Total life in year
1	Green (Raw) Bricks with mud mortar	450	3	25
2	Kiln Bricks (Stones) with mud mortar	525	2	30
3	Kiln Bricks with cement mortar	575	1	70
4	RCC frame structure	635	0.75	100

Note:

- The main auditorium of cinema hall is valued at 75% of the rate otherwise applicable.
- Depreciation is not deducted in the year of construction of house. For example, if a house constructed 5 years ago, Depreciation for only four years is deducted.
- House made of green bricks or mud mortar or thatched roof or house made of bamboo or wood with thatched wood is not considered for the purposes of valuation of house and land.
- In case of destroyed or demolished house, the value of destroyed or demolished portion is deducted for the purpose of valuation of Physical Structure.

Detail house and land tax valuation rate of KMC (See Annex 1)

Valuation of Land

The land is valued at the rate prescribed by the local committee formed for the purpose of valuation of land. If the committee does not prescribe the rate, the compound is valued by applying the rate prescribed by the land revenue office for the purpose of registration.

Valuation of Land

=Area of land in kattha/ Ropani * Valuation per Kattha/ Ropani

Note: - Government Valuation of the land should be used for tax purposes, not the market price of the land. Detail government valuation of land (See Annex 2).

2.1.11 Rate of House & Land Tax in KMC

Rebates of house and land are calculated as mentioned in the local Self-government act. Local self-government has provided the provision for rebated with value of the house and land. Table no. 4 shows the rate of house and land tax in Kathmandu Metropolitan City (Source: Revenue department of KMC).

Table 4

Rate of House and Land Tax in Kathmandu Metropolitan City

Value of House and Land	Rate of Tax (in Rs. and %)	Amount (Rs.)
First upto 10 lakh	Nil	Nil
Next upto 10 lakh	300	300
Next upto 30 lakh	0.05%	1500
Next upto 50 lakh	0.25%	12,500
Next upto 1 crore	0.5%	50,000
More than 1 crore	1.5%	-

(Source: Working Paper of Kathmandu Metropolitan City.)

In Table No.4, rate of tax in Rupees and percentage and amount are shown in right side. Value of house and land is shown in the left side. If the value of house and land is up to 10 lakhs she/he should not have to pay tax. If one has value of house and land up to 20 lakhs she/he must pay Rs. 300. Similarly one should has value of house and land next up to 1 crore after exemption of Rs.10 lakhs, he/she should have to pay Rs. 50,000.

2.1.12 Property not included in Valuation for Tax Purpose

Some of the properties, which cannot use for valuation, are mentioned in property tax act 2047. The following properties are not included in valuation for tax purpose.

1. Growing Crops- Grass or standing trees on agricultural land, the growing crops, grass and tools used in agriculture are excluded from the term of property.
2. Animals
 - Any domestic animals such as buffaloes, cows, oxen and others but the act does not clear the types of animals.
 - Any agricultural animals such as bullocks, cows and buffaloes
 - Any performing animals in circus such as chimpanzees, bears, lions, tigers
 - Any transport animals such as horses, donkey etc.
3. Amount deposited for life insurance:- In Nepalese act, there is no certain information about insurance, according to Indian concept, it should be interested for an assessee in any policy of insurance in any policy.
4. Patent or Copyright:- The patent or copyright is exempt from property tax. The patent or copyright is acquired by an assessee under a contract from the original author or the inventor or it is acquired by way of inheritance or otherwise no exemption is allowed in such cases.
5. Books and equipments for study.
6. Pots and equipments except valuable metals.
7. Wearing apparel provisions and other clothes for personal or household use of the assets.
8. Furniture and equipments (Excepts T.V., V.C.D., Deck, refrigerator, washing machines, camera etc.) They are exempted for developed countries like India. In the poor society, it is assumed highly luxury goods.
9. Tools, machinery and equipments used for professional works.

10. Simple equipments of decoration of house (except valuation metal equipments).
11. Singing and dance equipments for daily used.
12. Equipments for physical education.
13. Equipments and tools for first aid which are kept in houses.
14. Transportation equipments as cycle, rickshaws and other simple media.
15. Weapons and tools used for personal safety.
16. Equipments related to arts and photographs.

According to Local Self-governance act 055/56, the assets exempt from tax is:

- Gold 10 totals with jewelries.
- Silver 200 totals with jewelries.
- Stock in trade.
- Industrial mills, machinery tools and equipments building and ware houses of industrial areas.
- Invested shares and debentures.
- Loan issued by HMG which is declared exemption from these act.
- Area for house of assesses 3000sq.ft and ropanies of land.

Similarly, according to local self-governance act 055/56 section 146, following rebates are:

- Goods and equipments for social welfare.
- Land owned by farmers.
- The exemption limit for land are:

10 Biga for Tarai area.

) 20 ropanies for Kathmandu Valley.

) 60 ropanies for other hilly area.

- Land covered by Royal Palace.
- The land related to HMG.
- Land and building for hospital
- Educational institutions
- Land related to non-profit making organization.
- Foreign agencies organization
- Pound, electricity house, airport, Bus Park etc.

2.1.13 Tax exempted House and Land

According to rule 144(16) of Local self Governance rules, 2056, the following house and land are exempted from ‘Integrated Property Tax’.

- The Royal palace and the land occupied by the Royal Palace.
- The houses and land under the ownership of HMG.
- Land and building of Government Hospitals.
- Land under the ownership of trust.
- The land and house of government educational institutions and government corporations established for non profit motive.
- Religious and philanthropic purpose’s house and land such as Temples Mosques, Church, Mosques, etc
- The places of public utility such as water collection reservoir, electric power house, funeral spot, airfields, Bus Park, stadium, garden, parks, etc.

- The land and building of the Embassies, Consular Mission and Diplomatic Mission.
No land revenue, land tax, house and land tax are levied on the property for which the integrated property tax has been levied under this rule. Rule 144(17).

In case of VDCs

Local self Government act 2055, has not mentioned any property tax exemption for VDCs. Therefore, those provisions, which are implemented in municipality, are implemented in VDCs also. (Bhattarai, ishwor & Koirala, Girija pd. 2007)

2.1.14 Types of Property tax exemptions

Property tax exemptions are exempt for social reasons such as homesteads, churches, lodges, private school some for development purposes such as new industries, some for fiscal or administrative reasons such as household furniture, some to avoid double taxation such as credits. The tax exempted intangibles and certain types of tangible property are as follows (Source: Revenue department of KMC).

1. Homestead exemption:

Homestead includes any dwelling occupied by the owner as a residence the site upon which the dwelling is located, and varying amounts of surrounding land. The exemption may include not only the land and improvements used as a place to live but also considerable property used to make a living. Homestead exemptions depend on a number of variables, such as the degree of home ownership, area and value of homesteads and the ration of residential property to total property.

2. Exemption of property used for religious and philanthropic purpose:

Most of the governments exempt educational, charitable, benevolent and religious institutions from property taxation. In the case of religious organizations, exemptions are church and a non-profit making organizations etc.

3. Exemption to encourage economic activity: exemption to encourage economic activities are cash bonuses, loans, donations of site and building or their provision at nominal rentals, guarantees of favorable conditions and so on.

4. Municipal exemption policies: municipality also provides exemption to individuals to attract the economic activity within the municipality.

2.1.15 Criticize of exemptions

- The exemption of government property, which goes back to the time of the king, is not useful anymore. People, who are working in government building or institutions, are using municipal services just as workers do in other building. (Bahl and Linn 1992)
- The differential treatment means that owners in taxed properties face higher costs than of exempt properties. This inequality has implications for economic competition among business and government. (Kitchen and Vaillancourt 1990)
- The numerous exemptions narrow the tax base and increase the taxes on the remaining taxpayers or reduce the level of local services that can be offered, thereby.
- The proportion of tax-exempt properties varies by municipality and is creating disproportionate tax burdens across communities. For example in Kathmandu there

are, compared to other municipalities, many central government building, which are exempt from property tax. (Bahl and Linn 1992)

2.1.16 Rebates from Property Tax

Rebates from property tax are mentioned in self-government act. From the property tax, the following incomes are rebated.

- Loan and debenture taken from registered institutions.
- Amount received from the life insurance.
- Price received from provident fund.
- Amount received from provident fund.
- Amount received from foreign government (Source: Revenue department of KMC).

2.1.17 Collection, Realization and Refund of Tax

A. Collection of Tax

Local self-governance act 2055 has empowered VDC municipality and DDC to levy taxes. The VDC and municipality in the form of land revenue, land, tax house and land tax, integrated property tax and vehicle tax levy the property taxes. Since the integrated property tax and vehicle tax are not exclusively practiced in some municipalities, tax collection and realization with respect to the house and land tax and revenue or land tax are discussed hereunder.

In the case of Village Development Committee (VDC)

According to section 55 of Local Self Governance act 2005, the VDC may levy the property taxes as follows in its area at the rate approved by the village council, not exceeding the prescribed rate.

1. House and land tax

On the basis of size, type, design and structure of the house within the area of VDC, it may impose annual house and land tax on each house and compound.

2. Land revenue (Malpot) or land tax

The VDC may levy land revenue or land tax on the land within its area. However 25% of revenue collected from land revenue or land tax has to be handed over to the District Development Committee (DDC).

The rate of taxes to be levied by a VDC within its area is prescribed in Annex-4 of Local self governance regulation, 2056.

In the Case of Municipality

According to section 136 and 140 of Local Self-Governance act 2055, the municipalities levy the following property taxes within its jurisdictions:

1. House and Land Tax:

On the basis of size, type, design and structure of the house, the municipality may levy annual house and land tax on each house and compound as approved by the municipal council.

2. Land Revenue or Land Tax

The municipality may impose land revenue and land tax as prescribed on the land within the municipal area.

3. Integrated Property Tax:

The municipality may levy an integrated property tax within its jurisdiction at the prescribed rate.

4. House Rent Tax

Municipalities are also empowered to levy a House Rent Tax on the amount of rent in case where any house, shop, garage, go down, stall, shed, factory, land or pond is rented wholly or partly within their area of jurisdiction. The House Rent Tax may be levied at a rate not exceeding 2% of rent. On the other hand, municipalities can also levy a Tenancy Tax on municipality- operated shops or permission given to operate temporary shops in public places, unregistered land or roadsides at the rate of Rs. 2 to Rs. 20 per square feet.

According to rule 140 of self local governance regulation 2056 the maximum and minimum limits of the rate of land revenue and of house and land tax that may be levied by a municipality within its area shall be as prescribed in annex 1 of the regulation. As per rule 144, the minimum and maximum rates of the integrated property tax that may be levied by a municipality within its area shall be as prescribed in annex 2 of the regulation.

B. Recovery of Tax

Fine and penalties imposed by municipality or VDC are recovered as government dues or arrears. Those amounts are payable to local bodies. According to section 71 and 166, the fine and punishment imposed by the village development committee or by municipality are recovered by section 260. According to this process, if any person does not pay any tax, duty or charge levied or contracted or any other amount due and payable to the local body, the district administration office recovers it as government dues.

C. Refund of Tax

According to section 147 of LSG act 2055, the municipality is not entitled to collect any kinds of taxes contrary to the act or the rules. If the municipality collects such taxes, Nepal's government may order to stop such collection and to refund the amount of taxes so collected to the connected person.

D. Penalties and Actions

Section 70 and 165 of Local Self Governance act 2055 has made the provisions for fine and penalties if anyone does not pay any taxes, fees, charges, duties, tariffs and any other amount due and payable under the act, the VDC and Municipality penalize the person.

In the case of VDC

According to section 70.2 of local self governance act, if any person does not pay the taxes imposed or levied by the village development committee, it may punish such person with a fine of up a Rs.500 and may stop the service made available by the village development committee in regard to such person.

As per section 70.3 of the act, in case, any person commits any act in contravention of the act, of the rules, Bye-laws or Orders made under the act, such person shall be punished with punishment, if any prescribed elsewhere in the act; and if punishment is not so prescribed the village development committee may punish such person with a fine up to Rs.500.

According to section 70.4 if any person who has already been punished under this section, commits the same offence again, the village development committee may punish such person with two-fold punishment for each instance.

In the Case of Municipality

1. According to section 165.2 if any one does not pay the taxes imposed by the Municipality, it may take the following actions:

- If anyone does not pay the taxes, which may be collected under the act, the municipality may write to the concerned body to stop the transfer of ownership of the movable/immovable property of such person, may seal or lock up the trade, profession and withhold the transactions including export and import.

- If the amount which the municipality is entitled to collect under the act, could not be covered up even from the stoppage of the house, land, transaction or assets of the concerned person, the municipality may recover it by auctioning the person house, land or other assets, if any.
- 2. According to section 165.5 if any one does not pay any taxes under the act, the municipality may stop the service provided by it, in regard to such person.
- 3. If anyone commits any action in contravention of the act or the rule bye-laws or orders made under the act, such person is punished with punishment, if any prescribed elsewhere in the act, and if punishment is not so prescribed the municipality may punish such a person with a fine of up to Rs. 1000 (section 165.5).
- 4. As per section 165.6 if any who has already been punished under this section commits the same offence again. The municipality may punish such person with two-fold punishment for each instance.

E. Appeals

In case any property holder is not satisfied with a punishment imposed by VDC or municipality the local self-governance act 2055 has made provisions of appeal against such punishment.

As per section 70.5, any party who is not satisfied with the punishment imposed by the village development committee may appeal to the concerned district court within 35 days from the date of knowledge of such decision.

Similarly, according to section 165.7 any party who is not satisfied with the punishment imposed by the municipality may appeal to the concerned district court within 35 days of the knowledge of such a decision. (Source: Bhattarai, Ishwor and Koirala Girija Prasad 2007)

2.1.18 Rights and Duties of Local Government Relating to House and Land Tax

The Act and Rules have specified some rights and duties of the Municipality with respect to integrated property:

Right

- To impose tax
- To grant remission
- To impose fine and penalty

Duties

- To assess the rate of valuation
- To publish the value and tax rate for integrated property
- To send the bill
- To finalize the revaluation within the time

2.2 KMC'S House & Land Tax Practices

KMC has been collecting house land tax since the power of House and Land Tax

Collection was shifted to local government in fiscal year 2000/2001. This provision was made by government through the declaration of budget for the fiscal year 2000/001. This provision of budget has exercised the provision of house and land taxation which under local self governance act, 1999 and its regulation. The act and its rules already provided the power to local level government like municipalities. However, the central level government had collected the House and land tax, under the house and land tax, act 1959, its rules 1960 and finance act when the budget was tabled on July, 2000 in the legislative body of Nepal, parliament, the concern ministry, ministry of local government issued a circular to municipalities and urbanizing VDCs in to emprise and collect the tax under the existing laws, After getting the circular of concern ministry on July 2000, KMC's has been collecting the house and land tax as of today.

2.2.1 Current provisions of house and land tax in KMC

Following documents are required to submit house and land tax return in Kathmandu Metropolitan City (source: Revenue department of KMC)

1. If any couple has separate land and house ownership, statement should be submitted jointly.
2. If there is more than own, statement should be submitted in the name of any one owner.

3. If any person has various land and houses in the Metropolitan area, statement should be submitted to related ward office of each land and houses.
4. People having liability to pay house and land property, it should submit the as per Act.
5. If there is any increase/ decrease in house and land property, it should be reported to the ward office.
6. Calculated tax as per submitted statement should be deposited in bank account of within 35 days.
7. The necessary documents are:-
 - Copy of approval of new house map-1
 - Copy of approval of new flat map if any-1
 - Copy of land owner's citizenship certificate-0
 - Copy of land ownership certificate-1
 - Fields inspection report by technician for house constructed without approval before provision of Metropolitan system-1
 - Copy of tax receipt if any submitted to tax office-1
8. Tax officer holds right for following action if required:
 - Necessary examinations and review of statements by tax payer by issuing notice for filling and taking interview.
 - Field inspection

2.2.2 Process of Tax Assessment

To make the taxpayer easier KMC has provided the certain process for tax assessment. Necessary documents should be registered in house and land tax book. Process of tax assessment covers the process as follows (Source: Revenue department of KMC).

1. Tax assessment is done on the basis of house and land valuation.
2. If owners are multiple persons, tax assessment should be done in the name of multiple owners like flat owners.
3. House valuation is done on the basis of size of house, area of land and depreciation rate.
4. Different types of houses should be valuating in different ways.
5. After paying house and land tax, tax clearance certificate should be issued and keep the records.

2.2.3 Documents required for property valuation in KMC

Documents required for property valuation in KMC are as follows (Source: Revenue department of KMC).

1. Application Form-1
2. Bill of Land tax Clearance-1
3. Copy of house and land tax clearance certificate-1
4. Field inspection report of ward office-1

2.2.4 Tax administration

In the beginning, revenue division of KMC collected the house and land tax. KMC has made a special decision that the ward office would collect all types of taxes along with house and land tax. The central would facilitate the ward office and a number of tax officers were defused some ward offices. One officer is given responsibility of 5-10 wards. The system again change and since f/y 2007/008, the ward office has given certain level of power and the revenue division would see the tax assessment and the revenue is still deposited in ward office till the date. For the convenience, from simplicity, KMC has made such a provision that taxpayer do not come to central of KMC. Tax payer has been getting tiny the tax service at ward level. The KMC has two types of Tax administration,

- Division of revenue central
- Ward offices at grass root level.

Problems for efficient Tax Administration:

KMC has been facing so many problems because of the poor taxpayer and lack of tax education. Therefore, the local government should make sure them by teaching tax education. There are other causes like, delay in assessment and collection, unnecessary outside pressure and lack of proper incentives to tax personnel's and lack of update data's. A good tax system must have certain administrative qualities including certain rules, compliance and collection cost economy and acceptability. Although there has been significant progress in the area of improving the elasticity and efficiency of tax

system, still the major source of revenue collections is land based (Source: Revenue department of KMC).

2.2.5 Policy and Action Plan of KMC

To improve the performance on House and Land tax, KMC has prepared following policies and action plan.

1. Like in many other countries most of the Nepalese municipalities have no computerized property records. Property records are kept manually and maintained in an ad hoc manner. So that KMC has been attempting to establish a systematic database and to provide service through e-governance.
2. In order to generate more revenue and to have an automatized tax collection system it is mandatory to implement a software system. Therefore KMC has managed the budget to install the new software.
3. In general, the tax culture among the Nepalese population is underdeveloped. So KMC has focus on tax payer's education. To aware the taxpayer, KMC is giving advertisement in media which is the best way to inform about House and Land tax to taxpayers. Currently, KMC has started its own FM i.e. Metro FM.
4. KMC has organized the general house and land tax training for the employee with the help of supporting different organization like UDLE, MuAN and local bodies fiscal commission (LBFC).
5. In analyzing house and land tax, there need to be taken a closer look on the tax design and the tax administration. So, KMC has requested to LDM to revise the house and land tax act 2019, local self governance act 2055 and its regulation 2056.

6. The tax rate determines how much revenue will generate from house and land tax.
As considering it revenue rates will be determine scientifically.
7. KMC has started house numbering system to identify individual house owner and detailed information related with House and land parcels.
8. KMC has recently taken the decision that collection of house and land tax service will be provided through the banks.

2.2.6 House and Land Tax Calculation Related to KMC

In Nepal local self-government act 2055 has been applicable in calculating property tax the example of calculation is shown in Annex 3.

2.3 Review of previous study

2.3.1 Review of Books

Dhakal, Kamal Deep (2002) in his book "*Income tax, House and compound tax law and Accounting with value added tax*" has specially describe on House and land taxation in Nepal. He focuses on the legal provision and its practices regarding the house and land taxation. This book is referred to text book for the campus and university level student and those who want to know about the house and land taxation, they could simply get the knowledge and practical solution of house and land taxation in deeply.

Kandel, Puspha Raj (2003) had published a book named "*Nepal ko bartaman kar byawastha*". He has described the legal provision, process and methods to assess the house and land tax with numerical examples. The writer was fully based on campus

level syllabus. This book is informative and descriptive rather than analytical. This book is based on the current structure & issues of taxation, where he has defined a property tax as a mean of revenue collection of Local Government. He also mentioned property tax is levied on movable & Non movable, Tangible & Intangible property, which has sales value and this type of tax is levy by the Local Government for the purpose of equal distribution of revenue in the society.

Koirala, Pd.Girija and Bhattarai, Ishwor (2005) in his book entitled “*Taxation of Nepal*” has precisely depicts on house and land taxation in Nepal. He has illuminated the legal provision and its practices regarding the house and land taxation. He has collected all the related notice and provision made by the government in house and land taxation. He has also presented the clear examples of house and land valuation and assessed the tax liability. This book is very useful to student, researcher as well as those who want to know about the house and land taxation.

Adhikari, Prapana (2005) had published a book named “*Taxation in Nepal*”. He has described the theoretical as well as practical aspects of house and land tax. His book is fully based on BBS level syllabus prescribed by T.U. But he has not discussed the major aspect of house and land tax clearly and analytically.

2.3.2 Review of Reports/ Article

Ministry of Finance, The federation of Nepalese chambers of commerce and Industry and Harvard Institute (1997) has jointly conducted the study on the topic “*Tax Reforms in Nepal: A Comprehensive Review.*” The main objective of this study was to improve the overall tax system in Nepal in a way that reduces the unnecessary compliance costs and administrative burdens of the tax system, while providing the government with more stable sources of revenue to finance public sector expenditures. This study analyzed the current tax system in Nepal and develops a series of practical recommendations for the reforms of all the major taxes in Nepal, including Property tax.

From this study, it can be concluded that eliminating the octroi tax is an essential first step in the rationalization of the local tax system in Nepal. As octroi provides more than 80% of the total tax revenue of the municipalities, immediate alternative to octroi must be developed. Finally, they suggested to unify all property based taxes and should develop it as a major source of local government revenues and tax base should be defined in national legislation and be applied equally throughout Nepal.

Ghimire, Banshidhar (2003) “A revenue policy and implementation specialist” had conducted the survey on “*Taxpayer’s satisfaction in Nepal*” This study was carried out jointly by the IRO and German technical (GTZ). The purpose of the study was to determine perception of taxpayers regarding to the existing tax policy, quality of services, tax document, and tax procedures and administrative.

After a details analysis of available of data, he reached to conclusion that tax payers satisfaction level increases automatically, when the government is capable of delivering basic public services to the public. Considering the finding of the study, the team has recommended that the tax system should be simple, transparent, minimize uncertainty and the government should be serious to address the issues related to corruption and unfair behavior of the officials particularly in IROS. They also suggested that when taxpayers feel that the money they pay to the government in form of taxes is utilized properly, they more inclined to pay. Therefore, government should use the tax money properly for development of the nation, not for the interest of ruling political parties.

Pandey, Posh Raj (2004) “A member of national planning commission” had conducted a study “A *tax compliance*”. The main objective of the study is to identify the causes of non compliance with the tax law by taxpayers, inability of tax officers to enforce tax laws to control tax leakages. This study has dwelt upon the existing legal provisions to check tax leakages and its implementation status. He further included most of the anti leakage provisions made under the Land revenue Act, 1977 (Malpot Ain) have not been used for long time. He has focus on the need of continuous monitoring of potential tax collection with actual tax collection. For this he suggested to prepare tax potential indicators. He has also identified some legal reform, institutional reforms, administrative reforms, revenue policy and monitoring activities to overcome the constraints and shortcomings of revenue collections.

Carlson, Richard Henry (2004) has presented the study “*A Brief History of property tax*”. In his study, he focuses on the development of property taxation in the world. The main objective of this study is to present some moments in the history of real and personal property taxation. The author has enlightened how developed the current property tax system has come to be.

Through his study, he revealed that since the beginning of civilization the property taxed has been a major source of revenue for most government, however the personal property tax was difficult to administer because many people attempted to hide and move personal property. This practice was especially common among wealthier taxpayers who had multiple residences and moved assets to avoid taxation.

Mahat, Mani Ram Singh (2007) an ‘Urban Finance Advisor’ has conducted the study on “*Status of Integrated Property tax and House and Land tax in 58 Municipalities of Nepal.*”. In his study, he analyzes the revenue composition of 58 municipalities. The main objective of this study is to review the experience of IPT/ HALT’s conceptual and practical development in a comprehensive way. He focuses to identify the strengths and weaknesses of the existing tax system. He also shows the important of technology for implementation of house and land tax and integrated property tax.

Acharya, Babu Ram (2008) has accomplished the study in “*Land Tenure and Land Registration*” in Nepal. With the help of this study he attempt to analyze the history of land tenure provisions and the present system of land tenure and land registration in Nepal. He included the land management and administration of Nepal has been

influenced by the traditional sentiments. He stated that the purpose of land registration and its legal basis in Nepal is to establish certainty of ownership, rights to land, facilitate the transfer of land and other land-related activities and to provide easy access to information about land and most significant purpose is collecting revenue (tax).

Ministry of Local Development (MLD) and the German Technical Cooperation (GTZ) (2009) have jointly conducted the study on “*Local Property Tax Improvement (Case studies on the assessment of IPT/ HALT in the municipalities of Dharan, Pokhara and Madhyapur Thimi)*”. This report deals with the past and present experiences municipalities have made with the integrated property tax (IPT) or House and Land tax (HALT) in their revenue composition.

The objective of this study is to analysis the reasons why the high yield potentials are not being realized and why there is such a high discrepancy between different municipalities regarding their performance in tax coverage and tax collection. The major findings of this study are as follows:-

1. There is a lack of political commitment on central and local level regarding IPT/HALT.
2. All the attempts made by the employees to improve the situation of municipalities have so far not been acknowledge by the municipal council, leading to disillusion and frustration among the employees.
3. Major problem of municipalities are the high taxpayer resistance. People are mistrusting the public servants and criticizing the lack of transparency.

Aryal, Bishnu Prasad (15 Sep, 2009), has published an article on “*KMC Performance Judged Low*” in Himalayan Times. This article acknowledged that the MoLD has set criteria of minimum condition performance measure (MCPM) to decide budget allocation under the local Development programmed from the fiscal year 2066 and also disclosed the plans to reduce budget allocation to those municipalities that were under performing as per the MCPM. He further included that Office of the Municipal Management section reported that KMC and Khandbari municipality (KM) has failed to meet the minimum standard of local development (MoLD). He said KMC and KM was the top two to underperform.

Dahal (2009), has published an article about “*Taxation in Nepal: Structure, Issue & Reforms*” in Economic Journal of Nepal. In this article he exhibit that Nepal has facing a challenging proposition on revenue mobilization, which resulting to huge fiscal & budgetary deficits. This is because the majority of the people live in abject poverty and the people engaged in economic activities have extremely limited taxable capacity. Furthermore, he included that the legal base of taxation is compressed with unlimited tax shelters and tax administration lacks innovative mechanism to identify new taxpayers & bring them into tax net.

Rana, Dr. Ashok Shumsher JB (2010), in “*Nepal’s Tax System Issues, Problems and Options*” explore that the overall tax system of Nepal is inelastic in nature. Direct taxes have smaller elasticity in comparison to indirect taxes, which depicts direct taxes are responsible for the sluggishness of tax yields. He further indicates that the land tax

has negative growth rate with higher administrative costs. Therefore tax administration should be improve through designing of an appropriate organizational structure compatible with the changing circumstances, through improving the method of tax assessment and tax collection procedure as well as technical & judicial complexities of revenue administration.

Sharma, Milan Mani (27 Sep, 2011), has published an article on “***Draft of Property Tax Bill Ready***” in Republica. In this article, it stated that the Ministry of Finance (MoF) had formed a task force to draft a new law on property tax. The new tax act would tag all undisclosed property as illegal possessions and impose grave punishment to the owners.

As per the draft, the government will introduce a mechanism to trace the records of all forms of property including bank balance, investments in gold, bonds, shares, land and houses and antiques, among others, so that the property cannot be hidden.

Thapa, Ashok (19 Nov, 2011), has published news of “***Draft of property tax Bill ready***” in Kantipur. This article stated that new technical committee formed by the ministry of finance (MoF) to write a new property tax bill has prepared a draft which includes a provision requiring all Nepalese have to declare their assets. It has been insisting that property declaration be made mandatory for everybody. The budget for the current fiscal year has announced introducing a provision of property declaration. It states, “The habit of keeping records of the sources of property and its purpose has not yet developed among the Nepalese people. In order to address such problem, the

property tax act will allow on individual, family or company to make a voluntary disclosure of all the fixed and movable properties including land, jewelers cash Bank deposits, lending , share investment and vehicles to the inland revenue office of the government of Nepal after paying a certain percentage of tax.

In this article, CIAA had recommended that the existing act was outdated so that a new one should be drafted. A technical committee also said that the current act remained unimplemented due to lack of proper database to examine an individual's property and a mechanism to enforce it.

T.B.I Publication (27 Jan, 2012), has published an article on the topic of KMC in Karobar Newspaper. This article has explicated that KMC is self governance but in fact, KMC could not get autonomy in its work. Whenever, KMC want to do any work, it has to get consent from other government institute. So it seems that KMC's decision is dependent on other's government institution like Nepal electricity Authority, Nepal Telecom, Road Department etc.

Nepal Republic Media (16 July, 2012), has published a news of "***KMC is second worst urban government***" in Republica. In this article, it stated that the KMC, the only metropolis in the country, is the second worst performing urban government in the country after Malangawa municipality, according to a study conducted by local body financial commission. The study has placed KMC in 57th position among 58 cities, towns and district development committee covered. The KMC has received only 40 marks out of 100 and this means it fared poorly on the service delivery front. Among

the 58 municipalities, Bhaktapur has been ranked the best while Dhankura and Sindhupalchowk district development committees scored second.

2.3.3 Review of Thesis

Adhikari, Alka (2001) has conducted the research on the topic “*A study on House and compound tax (Property tax) (Specific Reference to integrated property tax in Dharan municipalities)*”. In this study, she explained that House and land tax has been considered as a suitable source for the mobilizing internal resources. It can be used as a positive instrument to boost government revenue collection, to develop the economic conditions of Nepalese people and promote distributive justice and to cure resource gap problem. The main objective of this thesis is to identify the problems associated with house and land tax administration.

On the basis of analysis, she found out that poor taxpaying habit of Nepalese people and poor recording system of tax office are the major problems of economic development of Nepal. The revenue administration in Nepal is weak because of lack of tax policies with a clear direction and consistency in a long run perspective, lack of trained staff, heavy dependence on non-technical staff etc. She has also found that in Dharan municipality there was wide spread tax evasion. She has concluded that if the problems relating to house and land tax in Nepal can be solved and resources are effectively utilized then only the prospects of revenue collection from house and land tax will be bright.

And she has also forward some recommendation and suggestion to improve the house and land tax. The suggestions are as follow:

- All the tax personnel should be given comprehensive training on various aspect of taxation on a regular basis. For this a separate training section within tax department should be established.
- Financial benefit and extra incentive should be provided to the employees to reduce the corruption. Furthermore tax officers should be selected on the basis of secret ballot system in order to control corruption.
- Timely revision and modification should be made in the matter of house and compound tax policy.
- Tax rebate should be provided to the taxpayers who submit the true Property statement with in the specified period of time.

Basnet, Ram Chandra (2006) has made a study on House and Land taxation entitled *“Issues on House and land Practice in Nepal (A study with reference to KMC)*. He explains the historical background of house and land taxation in Nepal. The main objective of this thesis is to point out the problem of house and land tax and tries to find out the solutions and recommendation, analyzing the present legal provisions, tax administration and practices. He has specially focused on the performance of KMC regarding collection and utilization of house and land taxes.

He study the available data and reach to the conclusion that the existing tax provision of house and land tax cannot address of all the issues on house and land taxation. He suggested that government should amendment the provision of law and it should be clear and simple, which enable the people to understand. He has also recommended that

to effective tax collection and tax administration, government should launch various programs so that the tax payer can feel that paying the tax is their duty and they are paying the tax for the development of the country.

Humagain, Rekha (2009) has analyzed house and land tax entitled “*House and land tax in Kathmandu metropolitan city*”. The main objective of this study is to examine the role of property tax in revenue collection of KMC and to reveal the problems relating to house and land tax. She explain the historical prospective of House and Land tax in Nepal. The emerging issues like poor database of taxpayer, inefficient tax administration etc are explored in her study report. She has also analyzes the available data and information and reached in some findings. Her major findings of the study are as follows,

- The method of assessment and valuation of H&L tax has many loopholes and such loopholes can be cope with making simplification of lax, making more investigation and reconciliation of bill and document of tax payers and better information system between tax payers and tax officers.
- For increasing the taxpaying KMC should introduce motivational schemes like discount, prizes etc.
- Tax education is necessary to make tax payer consciousness about H&L tax which lead them to understand the procedures of tax assessments.

Shrestha, Raj Kumar (2010) has conducted a research on the topic House and land taxation for the partial fulfillment of MBS degree. His thesis entitled “*A Study on*

House and land tax in Lalitpur Sub-metropolitan city". The study has shown the role of the property tax revenue structure, total revenue, contribution trend, composition of property tax of LSMC. The main objective of this study is to analyze the trend of house and land tax of LSMC and to find out the causes of variance between the Budgeted and actual collection of house and land tax.

Specially, he has explored the emerging issues like legal unclarity, lack of information, lack of trained staff, inefficient tax administration and corruption in tax authority. He also point out that the growing need of resource for the development of Nepalese economy can be met through effective large volume of property tax but due to various problems property tax collection is relatively low in Lalitpur sub-metropolitan city. So, for the sound and effective tax system, he has recommended the following suggestion:-

- Municipality should mobilize its resources properly for the welfare of the local people.
- In the absence of the proper record keeping system of tax the government does not look and determined about the status of revenue so, it is necessary attention should be focus on proper accounting system.
- Limited people have paid tax and most of the citizens were not aware of H&L tax. Therefore, tax education should provide to them.

Dhukuchhu, Rajan (2012) in his thesis entitled "*House & Land tax in Nepal with special reference to Banepa Municipality*" has summarized the contribution of

property tax to total revenue for Banepa Municipality is very low. The Municipality is highly depended on external source rather than internal. It is because local people are unaware and uneducated about the benefit of tax payment. Some of local people responded the house & land tax as an extra burden for the public. However, the public, who pay tax regularly, are also failed to pay on time due to the lack of co-operation, help and support of Banepa Municipality staff.

He has indicated the internal weaknesses and suggested to strengthen it. Furthermore, he recommended that Banepa Municipality has to arrange the publication of monthly income & expenses report and development activities lists in local newspaper or separate bulletin, which reach to local household so that people can believe, the tax amount they paid are utilized.

2.4 Research Gap

Research means to investigate or to search again & again about a phenomenon under study. Very few researches have been made on topic “A Case Study on Contribution of House and Land Tax to total revenue of KMC”. Most of the previous research was related to other municipalities like Dharan, Pokhara, Lalitpur etc. The previous research had covered the history of house and land tax, rule and regulation, procedures, revenue collection trend, problem regarding the house and land tax. Most of the previous researches have stated recommendation on how to improve the performance on House and land tax. But this study is not only provided the recommendation but also trying to find out what steps have been done by KMC, to get better performance on House and

Land Tax. And this study has also give emphasis to taxpayer's satisfaction. Furthermore, this study has also included the detail government valuation of land. Similarly, this study shows the probability of house and land tax in KMC. Likewise, earlier study has presented few years data, but this study has taken seven years data.

Chapter III

Research Methodology

Research methodology is the systematic way of solving research problem. It refers to the overall research processes, which a researcher conducts during his/her study. This chapter aim to familiarize the relevant technique of data collection, analysis of data using statistical tools and techniques required for preparation of research report and include research design, population and samples of the study, sources of data and research methods.

3.1. Research Design

Research design is an overall plan or framework, for the collection and analysis of data. It provides the framework for the study guidelines for the collection and analysis of data. This research study attempts to analyze the contribution of house and land tax to total revenue of KMC. Hence to fulfill the objectives of the study, it used both primary data and secondary data. To conduct the study historical research design, descriptive research design as well as the analytical research design approaches has been adopted.

Most of the data and information of the study are concern with past phenomenon of the performance. So it can be regarded as historical research design. To examine the rule and regulation, provision and to find out major problem of house and land tax, descriptive research design is used.

Some statistical tools, such as simple average, percentage and graphs are applied to interpret and come to conclusion.

3.2. Population and sample study

There are 58 municipalities in Nepal. Among them Kathmandu is the one of the largest metropolitan city and there are four sub-metropolitan city. All 58 municipalities are population of the research and Kathmandu metropolitan city is taken as a sample of the study among from population. The detail of municipalities is given in Table no. 5.

Table 5
Details of Municipalities

S.N. No.	Development Region	Zones	Name of Municipalites	Total
1	Eastern	Koshi, Mechi Sagarmatha	Ilam, Bhadrapur, Damak, Biratnagar Sub-Metropolitan, Mechinagar, Dharan, Inaruwa, Itahari, Dhankuta, Khandbari, Trijuga, Rajbiraj, Lahan, Siraha	14
2	Central	Bagmati Narayani Janakpur	Janakpur, Jaleshwar, Malangwa, Kamalamai, Bhimeshwar, Dhulikhel, Panauti, Banepa, Lalitpur Sub-Metropolitan City, Bhaktapur, Madhyapur Thimi, Kathmandu Metropolitan City, Kirtipur, Bidur, Hetaunda, Gaur, Kalaiya, Birgunj Sub Metropolitan City, Bharatpur, Ratnana	20

3	Western	Gandaki Dhaulagiri ,Lumbini	Prithvinarayan, Vyas, Putalibazar, Waling, Pokhara Sub-Metropolitan City, Lekhnath, Baglung, Tansen, Ramgram, Siddharthana, Butwal, Kapilvastu	12
4	Mid-Western	Karnali,Bheri Rapti	Tribhuwannagar,Tulsipur,Nepalgunj,Gulariya, BirendranagarSub-Metropolitan City, Narayan	6
5	Far-Western	Seti Mahakali	Dipayal,Dhangadhi,Tikapur,Mahendranagar, Amarghadhi,Dasharathchand	6

3.3. Nature and Sources of Data

The significance of research basically depends upon the nature availability and accuracy of information. So, both primary and secondary data collection procedure have used. Both primary and secondary data help to get genuine result from this research.

3.3.1 Primary Data

Primary sources of data provide first hand data to the researchers. In this study, primary data include interview and questionnaire methods. A set of questionnaire was developed and distributed to selected respondents. The respondents were tax expert, tax officer, and taxpayer. Tax officers were selected from KMC and other wards office. Tax payers were selected from different wards of Kathmandu.

3.3.2 Secondary Data

Secondary data are those data which are first recorded by the primary data collectors used by others. The main sources of secondary data are published as well as unpublished reports, circular, books, newspaper, dissertation and website etc. The major sources of secondary data are as follows:-

- Books and bulletin related to taxation.
- Budget speech and economic survey of various years, Ministry of finance.
- National and international newspaper, journals and news magazines.
- Different dissertation related to house and land tax.
- Publication of Kathmandu Metropolitan City.
- Income & expenditure budget of KMC
- Website etc.

3.4 Data collection procedure

To collect the data, total 50 set of questionnaire were developed and distributed to selected respondent. Questionnaires were distributed to taxpayer, tax expert and KMC's staff personally through field visit. To collect the additional information interview was taken with the respondent. In a few cases, telephone conversation and email communication were used. Stratified and purposive sampling methods have been used to select the sample. The respondents have been divided into two groups. The table no 6 shows the groups of respondent and the size of samples.

Table 6

Sample Size

S. No.	Type of Respondents	Sample Size	Respondent
1	Tax officer/Tax Administrators	20	20
2	Tax payers	30	30
	Total	50	50

There are many tax administrators in KMC among them 20 tax administrators are selected. There are indefinite numbers of taxpayer in KMC, among them only 30 responded are taken as sample.

3.5 Tools used for Analysis Data

Since the data analysis is based on secondary as well as primary, separate techniques are utilized in order to analyze the data statistically and present them systematically.

Mainly the following tools & techniques are used in this research study.

Statistical Tools

- Simple Percentage
- Simple Average
- Graphs. Charts and Diagrams
- Trend Analysis (Time Series Analysis)
- Arithmetic Mean
- Standard Deviation
- Coefficient of Variation

3.5.1 Time Series Analysis

Time series analysis is utilized in order to find out the Trend of House and Land Tax from year 2061 to 2068, with the help of equation:

$$Y = a + bx$$

3.5.2 Analysis of Central Tendency

Central tendency is used to condense a huge data into a single value, which represents the entire data & generally located at the central part. Weighted average mean is calculated to know the weighted average ranking for the available options. It is calculated by sum of the rank number multiplied by its frequency divided by sum of the frequencies. Mathematically,

$$\text{Weighted Average Mean (WAM)} = \frac{\sum fx}{\sum f}$$

Where,

f = frequency

x = Ranking i.e. 1,2,3,4,5,6,7,8

3.5.3 Analysis of Dispersion

Standard deviation is the most useful measure dispersion. It is based on the mean & gives uniform, stable & correct results. The standard deviation of calculated to prove the relevancy, uniformity & consistency of the ranking.

Mathematically,

$$\text{Standard Deviation } (\sigma) = \sqrt{\frac{\sum fx^2}{\sum f} - \left(\frac{\sum fx}{\sum f}\right)^2}$$

Where,

f = frequency

x = Ranking i.e. 1,2,3,4,5,6,7,8 (1- Most significant, 2- Second Significant)

3.5.4 Co-efficient of Variation:

Co-efficient of variation (CV) is the percentage measure of co-efficient of standard deviation. It is usually calculated to measure & compare the homogeneity, consistency, uniformity and variability of two or more series. More specifically, it is calculated to know per unit of the series or distribution. Mathematically,

$$CV = \frac{\sigma}{\bar{x}} \times 100\%$$

Where,

σ = Standard deviation of the given series

\bar{x} = Mean of the given series

Chapter IV

Presentation and Data Analysis

This is the fourth chapter which is the most important part of the study. It is the main body of the study. In this section, we are showing the data presentation and analysis of house and land tax of KMC. The main objective of this chapter is to make clear understanding about contribution of house and land tax in total revenue collection of KMC.

4.1. Total Income structure of KMC

Municipalities are entitled to collect various taxes, fees, service charges, property rental, sales, and contract as internal revenue. Besides this, central government including national and international financial institution and development agencies provided external resources to the municipalities as grants and loans. The following table no.4.1 gives an overview of total revenue structure of KMC.

The following table and figure gives more analytical revenue composition picture of KMC. In fiscal year 2063/64, 64/65, 65/66, 66/67, 67/68 and 68/69 total revenue were 929,894,198.00, 893,248,468.00, 1,123,131,001.59, 779,308,630.28 and 964,068,550.22 respectively. As the table given below indicates that grants is the largest revenue sources .The second largest sources are fee and fine. Malpot/House and land tax is the third largest sources of KMC. The existing local tax structure unveil one of the important points that KMC authorities are now slowly diverting their efforts on collecting the direct taxes i.e. house and land tax , business tax, advertisement tax, rent tax etc.

Revenue from "Property Rental" could be one of the sustainable revenue sources of the KMC, but contribution from such revenue is still negligible.

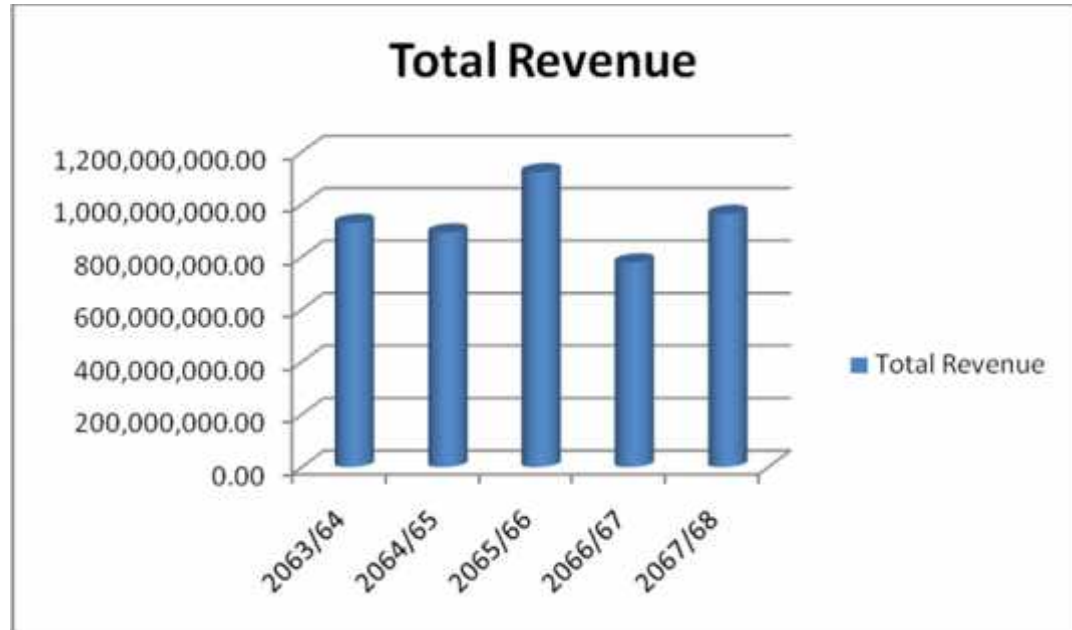
Table 4.1

Total Income structure of KMC

Line	FY 2063/64	FY 2064/65	FY 2065/66	2066/67	2067/68
Malpot/House and land tax	119,436,289.00	149,618,669.00	235,854,754.00	181,089,364.55	228,477,232.41
Rent Tax	2,683,536.00	7,164,868.00	9,696,657.00	5,614,218.37	3,024,366.99
Vehicle Tax	5,122,074.00	6,173,907.00	6,480,800.00	5,127,619.00	4,290,436.00
Property Tax	1,229,655.00	–	–	–	–
Entertainment Tax	1,229,655.00	1,139,132.00	1,006,077.00	82,458.00	–
Advertisement Tax	5,826,857.00	11,977,454.00	15,364,780.00	16,623,573.75	7,991,710.50
Business Tax	13,399,972.00	20,308,217.00	26,483,833.00	17,799,356.94	27,377,757.97
Fees and Fines	118,088,546.00	133,954,678.00	160,877,408.00	125,467,190.23	131,772,526.88
Property Rental	5,799,187.00	19,592,892.00	12,236,566.00	9,079,917.00	19,123,196.00
Radio License	–	–	–	989,140.00	180,000.00
Investment income	507,876.00	4,793,548.00	–	–	1,949,249.88
Service Fee	118,088,546.00	136,588,610.00	–	14,228,660.41	25,889,949.72
Other Fees	49,777,506.00	53,817,281.00	–	8,895,444.68	7,873,888.00
Income from Sale	–	–	–	525,565.00	1,208,650.00
penalties and Fines	–	2,556,744.00	32,281,346.00	4,034,936.18	5,669,045.50
Other Income(insurance compensation)		–	–	–	12,632.40
Grants	318,477,680.00	463,844,727.00	95,585,824.00	385,801,287.23	494,296,050.10
Income from contracts	–	225,086,816.00	–	3,923,851.00	3,481,089.00
Last year income	51,969,020.00	18,229,160.00	1,155,616.00	26,047.94	1,450,768.87
Own Sources Revenue	–	–	–	393,507,343.05	469,772,500.12
Other sources Revenue	441,189,699.00	707,160,703.00	96,741,440.00	385,801,287.23	494,296,050.10
Loan	–	–	–	50,000,000.00	–
Balance Forward	–	–	–	–	–
Total Revenue	929,894,198.00	893,248,468	1,123,131,001.59	779,308,630.28	964,068,550.22

Source: (Annual Budget Report of KMC)

Figure 1.



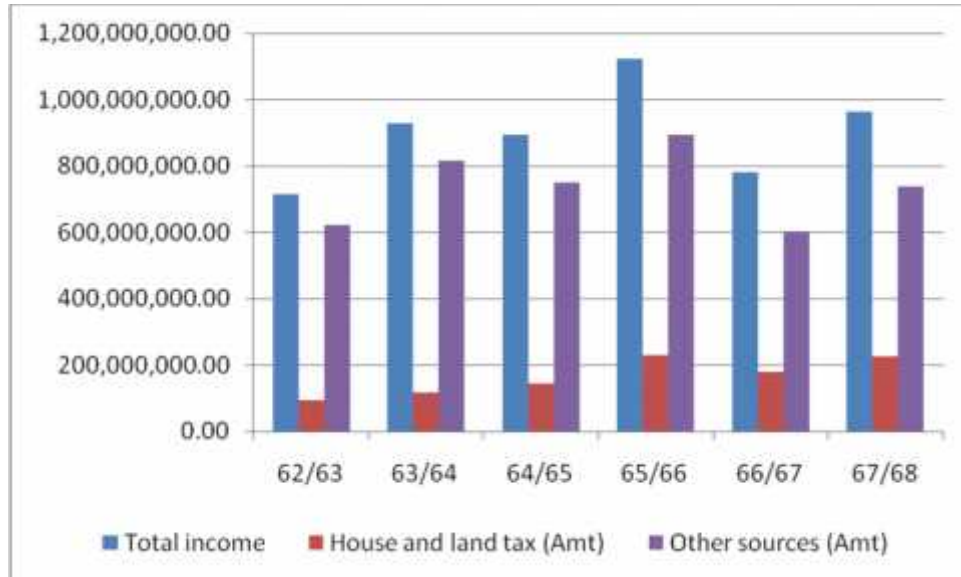
4.2 Contribution of House and Land Tax in Total Income of KMC

Table 4.2

Fiscal year	2062/63	2063/64	2064/65	2065/66	2066/67	2067/68
Total income	712,679,670.00	929,894,198.00	893,248,467.16	1,123,131,001.59	779,308,630.28	964,068,550.22
House and land tax (Amt)	92,248,996.00	115,550,804.00	145,197,400	230,477,605.00	177,368,997.34	224,861,182.05
House and land tax (%)	13	12	16	21	23	23
Other sources (Amt)	620,430,674.00	814,343,394.00	748,051,067.16	892,653,396.59	601,939,632.94	739,207,368.17
Other sources (%)	87	88	84	79	77	77

(Sources: Annual Budget Report of KMC)

Figure No. 2



Above table show the contribution of house and land tax into total income of KMC. In fiscal year 62/63, and 63/64, total amount of house and land tax were 92,248,996 and 115,550,804, which were only 13% and 12% of the total income. Similarly, total income of KMC in FY 64/65, 65/66, 66/67 and 67/68 total income were 893,248,467, 1,123,131,001.59, 779,308,630.28 and 964,068,550.22, where house and land tax has contributed 16%, 21%, 23% and 23% respectively, which is comparatively higher than previous years but it can't say that KMC performance in collection of house and land tax is in satisfaction level because its contribution in total income is very low than other sources.

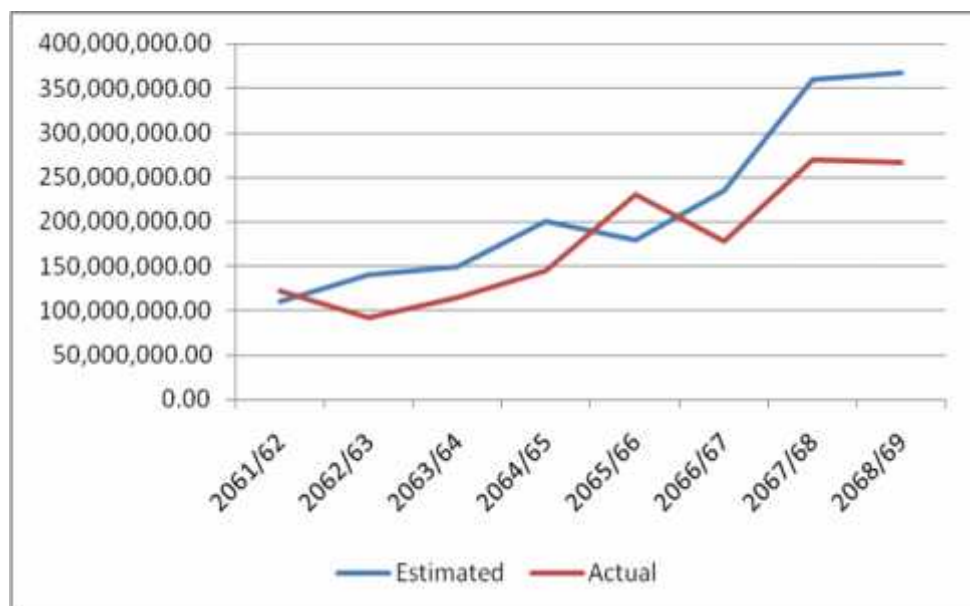
4.3 Estimated and Actual House and land tax of KMC

Table 4.3

Fiscal year	Estimated	Actual	Difference
2061/62	110,375,000.00	122,344,464.00	(11,969,464.00)
2062/63	140,000,000.00	92,248,996.00	47,751,004.00
2063/64	150,000,000.00	115,550,804.00	34,449,196.00
2064/65	200,000,000.00	145,197,400.00	54,802,600.00
2065/66	180,000,000.00	230,477,605.00	(50,477,605.00)
2066/67	235,000,000.00	177,368,997.34	57,631,002.66
2067/68	360,000,000.00	269,937,187.51	90,062,812.49
2068/69	367,500,000.00	266,586,584.10	100,913,415.90

(Sources: Annual Budget Report of KMC)

Figure 3



The above table and figure presents an overview of projection and actual house and land tax amount. In fiscal year 61/62 and 65/66, it has been seen that KMC was succeed to collect more house and land tax i.e. 122,344,464 and 230,477,605, which is greater than projection amount. However, from fiscal year 62/63 to 68/69 (except FY 65/66), KMC could not achieve its target amount. In fiscal years 62/63, 63/64, 64/65, 66/67, 67/68 and 68/69, KMC was able to get only 65%, 77%, 72%, 75%, 74% and 72% respectively of their target budget. The revenue from house and land tax was fluctuation over the last eight years.

Prediction or Budgeting is considered as one of the primary steps for proper financial management of local government. But it has been observed that KMC's projection in regard of house and land tax is under moderate rating, due to huge difference between projected budget and actual performance. The variance between actual collection and projection clearly indicates that KMC fails to accomplish its target because of tax leakage problem. The above tables also reveal that KMC's projected budget looks quite ambitious and root level studies are necessary to before projection of house and land tax.

4.4 Contribution of House and Land tax on Local tax revenue of KMC

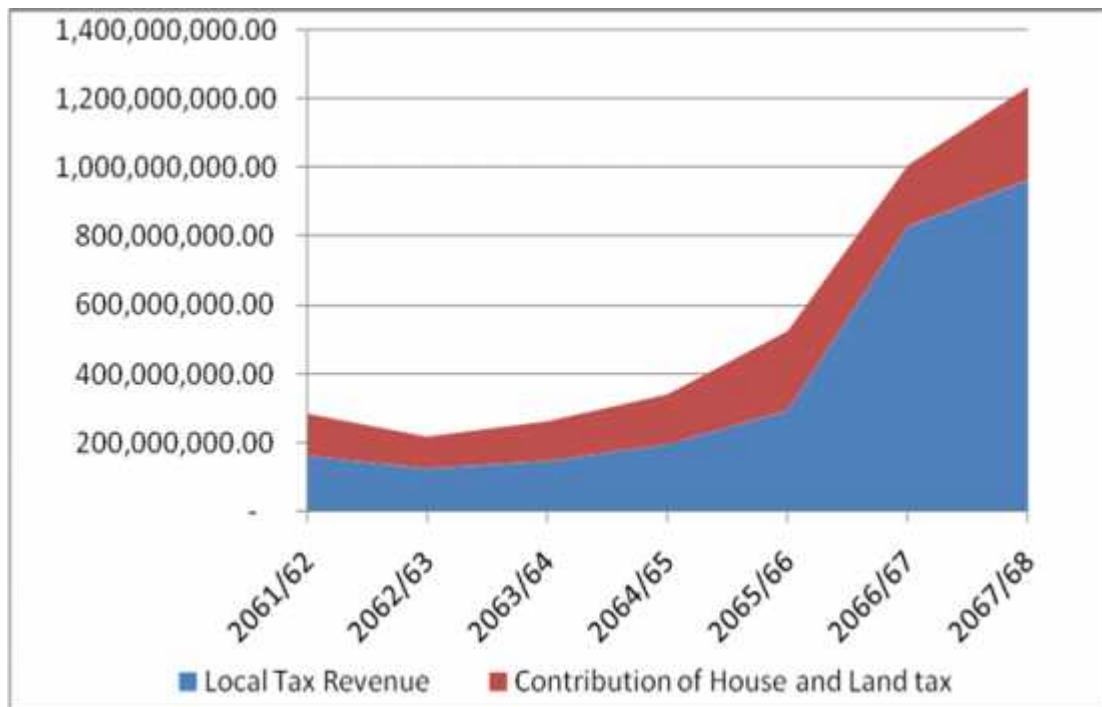
The contribution of house and land tax in total local tax revenue of KMC can be shown in table no. 4.4.

Table 4.4

Fiscal Year	Local Tax Revenue	Contribution of House and Land Tax	% of H&L tax contribution in local tax
2061/62	163,666,141.00	122,344,464.00	75
2062/63	126,386,016.00	92,248,996.00	73
2063/64	147,698,383.00	115,550,804.00	78
2064/65	196,382,248.00	145,197,400.00	74
2065/66	294,886,901.00	230,477,605.00	78
2066/67	829,308,630.38	177,368,997.00	21
2067/68	964,068,550.22	269,937,187.51	28

(Sources: Annual Budget Report of KMC)

Figure 4



Above table indicates that in fiscal year 61/62 total local tax was 163,666,141.00 and contribution of house and land tax was 122,344,464.00 and this is 75% of total local tax

revenue. Similarly, in fiscal year 62/63, 63/64, 64/65 and 65/66, total contribution of house and land tax in total local tax revenue were 73%, 78%, 74% and 78% respectively. Likewise, in fiscal year 66/67 and 67/68 house and land tax portion in local tax revenue were only 21% and 28% which is lowest than previous years. Looking above figure, it can be said that contribution of house and land tax in local tax revenue is fluctuating over the last 7 years.

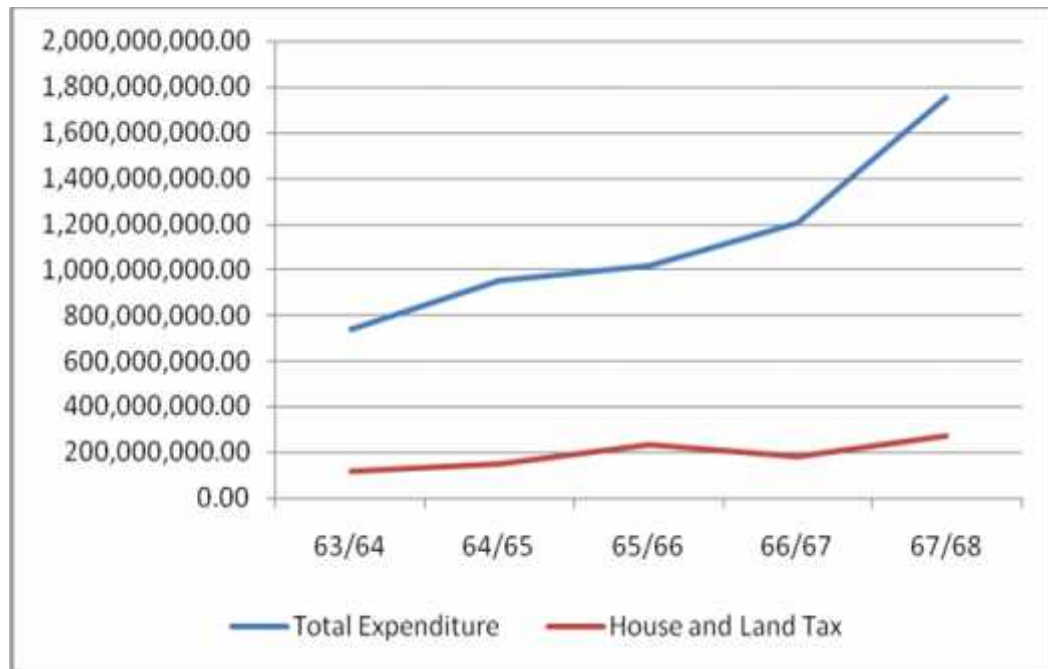
4.5 Coverage of House and Land Tax on Total Expenditure of KMC

Table 4.5

Fiscal Year	Total Expenditure	House and Land Tax	Coverage %
63/64	737,524,586.87	115,550,804.00	16
64/65	950,016,108.33	145,197,400.00	15
65/66	1,014,184,386.85	230,477,605.00	23
66/67	1,206,364,953.59	177,638,997.34	15
67/68	1,756,990,000.00	269,937,187.51	15

(Sources: Annual Budget Report of KMC)

Figure 5



The above table can give an overview of expenditure of KMC and coverage of house and land tax on total expenditure. As the table given above indicates that, total expenditure of KMC have increasing trends and in fiscal years 63/34, house and land has covered 16%.In fiscal year 64/65 its coverage reduced up to 15% but in FY 65/66 its coverage is increased suddenly up to 23%. In fiscal year 66/67 and 67/68, house and land tax coverage is decreased up to 15 %.From studying above table, it can be concluded that the coverage of house and land tax on total expenditure of KMC is very low and unsatisfied.

4.6 Highest Tax payer list of KMC for Fiscal Year 2067/68

Table 4.6
Highest House and Land Tax payers list of KMC
For Fiscal Year 2067/68

Organization Name	House & Land Tax Amount
Nepal Telecome Ltd.	120,00,000.00
Investment Bank	55,00,000.00
Rastriya Banijya Bank	4,200,000.00
NIDC	4,200,000.00
Agriculture Development Bank	3,500,000.00
Nabil Bank	2,200,000.00

(Sources: Annual Report 2067/68, KMC)

According to the KMC, the highest tax payer of 2067/68 is Nepal Telecom. They paid house and land tax about twelve million in this fiscal year. Similarly, Investment Bank has paid about 5.5 million house and land tax in this fiscal year. Likewise, Rastriya Banijya Bank and NIDC are the third tax payers, who paid about 4.2 million. Except Nepal Telecom and NIDC, all four taxpayers are from banking sector. Agriculture Development Bank is the 4th largest tax payer in KMC and Nabil Bank is in 5th category that paid more tax in KMC.

4.7 Possibility of House and Land Tax in KMC

KMC is the central (capital city) of Nepal, where different types of opportunity, service and facilities are available for the people. Due to this reason, people migrate from different parts of the country and it is increasing day by day. As far as possible, peoples

from migration becomes the permanent resident in Kathmandu, which increases the number of houses and it automatically helps to increase the House and Land Tax in KMC.

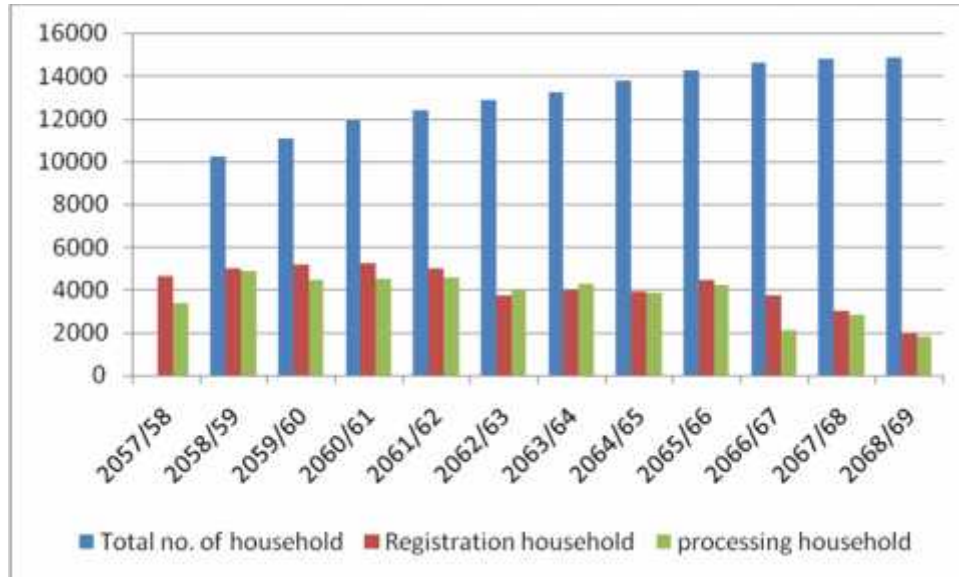
Total number of household, house hold registered for construction and houses which is in construction process are as follows,

Table 4.7

Fiscal Year	Registration household	processing household	Total no. of household
2057/58	4602	3356	–
2058/59	4994	4876	10201
2059/60	5180	4426	11055
2060/61	5232	4503	11893
2061/62	5014	4573	12420
2062/63	3739	4012	12847
2063/64	3978	4278	13260
2064/65	3932	3824	13778
2065/66	4442	4202	14241
2066/67	3721	2102	14603
2067/68	3009	2805	14775
2068/69	1973	1801	14881

(Sources: Annual Report of Naksa Tatha Napi Bibhag, KMC)

Figure 6



Above table depict the total number of houses (which is registered for construction, construction process and completed) from fiscal year 2058/59 to 68/69. It seems that number of houses is increasing in every year. But it is good for the aspect of municipalities like KMC. As increase the number of houses, KMC can also able to increase their house and land tax revenue. So, there is a great possibility of house and land tax in KMC. Even if, there is more probability, KMC could not collect more house and land tax.

4.8 Trend of House and Land Tax

The trend of house and land tax of KMC has calculated on the basis of house and land tax revenue of last 7 years.

Let the trend line be, $Y = a+bx$ (i) Where,

Y = Dependent variable (House and land Tax)

x =Time

b =Slop of trend line

a = Y-intercept

Table 4.8

(Rs. Millions)

Year	T	$x = X-4$	x^2	y	xy	$Y = a+bx$
2061/62	1	-3	9	122.34	-367.02	86.76
2062/63	2	-2	4	92.25	-184.5	112.45
2063/64	3	-1	1	115.55	-115.55	138.44
2064/65	4	0	0	145.19	0	164.43
2065/66	5	1	1	230.48	230.48	190.42
2066/67	6	2	4	177.37	354.74	216.41
2067/68	7	3	9	269.94	809.82	242.4
Total		$x=0$	$x^2=28$	$y=1153.12$	$xy=727.97$	

$$x=0 \quad a = \frac{y}{n} = \frac{1153.12}{7} = 164.73$$

$$b = \frac{xy}{x^2} = \frac{727.97}{28} = 25.99$$

Now the best fit of straight line trend is obtained by substituting the values of a and b in equation

(i), we get, $Y = a + bx$

$$Y = 164.73 + 25.99x$$

Calculation of trend values

For $x = -3$

$$Y = 164.43 + 25.99x$$

for $x = -2$

$$Y = 164.43 + 25.99x$$

$$Y = 164.43 + 25.99 * (-3)$$

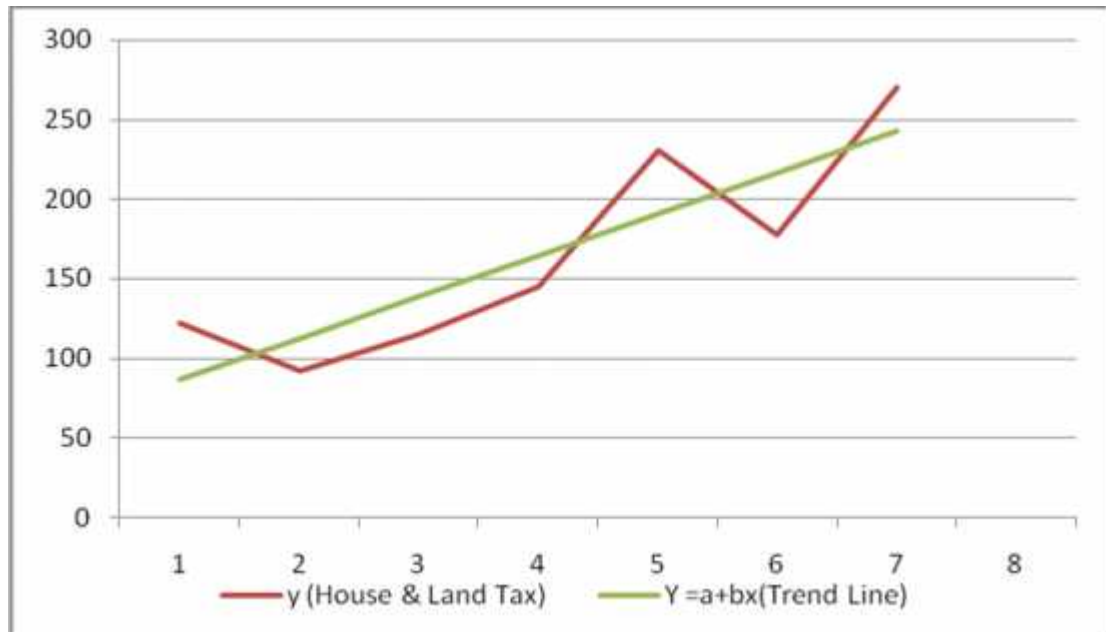
$$Y = 164.43 + 25.99 * (-2)$$

$$Y = 86.76$$

$$Y = 112.45$$

All calculated trend values are shown above table.

Figure 7



The above figure indicates that House and Land Tax has increasing trend since the value of b is positive and the annual increase in House and Land tax is 25.99x.

4.9 Empirical Investigation

To find out the various aspects of house and land tax from experience of real life situation, an empirical investigation is conducted. In this part, we analysis the information collected from primary sources i.e. through questionnaire. The structured questionnaire were distributed to selected respondents i.e. tax related employees and tax

payer of KMC along with the field visit. The samples of questions are shown in annex 4.

The respondents were requested to response on questionnaire by two ways:-

- They could response simply by yes or no responses.
- They could response by raking the choices.

The following table shows the groups of respondent.

Table no 4.9
Group of Respondents

S.N No.	Group of Respondents	Code	Sample Size
1	Tax payer	A	30
2	Tax officer/Tax Employee	B	20
	Total		50

4.9.1 Knowledge of House and Land Tax Provision

To find out the people who have details knowledge about house and land tax provision, a question was asked” Do you know about the house and land tax provision? A question was asked for each of groups. Group A consist tax payers of KMC and group B was consists of tax related employee/Tax officers of KMC. The responses received from the respondents were tabulated below.

Table 4.10.
Knowledge of House and land Tax Provision

Responses	Detail Knowledge	Quite Knowledge	Total
Tax Payers (A)	6	30	36
Tax Employee(B)	12	2	14
Total	18 (36%)	32 (64%)	50 (100%)

(Sources: opinion Survey)

From the above table show that only 36% respondents have details knowledge about house and land tax provision. Similarly, there are 64% respondents who have quite knowledge of house and land tax provision.

4.9.2 House and land Tax is Major Source of Revenue or Not

To know the view of respondents about house and land tax is the major sources of municipalities or not, a question was asked “In your opinion, house and land tax is the main sources of municipalities like KMC?” Respondents responses are tabulated below:-

Table 4.11
House and Land Tax is Major Source of Revenue or Not

Responses	(Tax Payers)A	(Tax Employee)B	Total
Yes	15	12	45(90%)
No	3	–	3(6%)
Don't Know	2	–	2(4%)
Total			50(100%)

(Sources: Opinion Survey)

From above table it show that 90% respondents are given positive answer (Yes) and only 6% respondents are given negative answer. However, only 4% respondents have no knowledge about it.

4.9.3 Amendment of House and Land Tax Provision

To know the opinion about amendment of house and land tax provision, a question was asked “Is it necessary to amendment the provision of house and land tax?” Respondents’ responses are tabulated as follows;

Table 4.12

Amendment of House and Land Tax Provision

Respondents	(Tax Payers) A	(Tax Employee)B	Total
Yes	25	18	43 (86%)
No	5	2	7 (14%)
Total	30	20	50 (100%)

(Sources: Opinion Survey)

From the above table it is clear that 86% of the respondents are in favors of amendment of house and land tax provision and 14% respondents are satisfied with the existing tax provision.

The responses of rest 43 respondents are tabulated as follow:-

Table 4.13

Alternatives for amendment of House and Land Tax Provision

Provision	Tax Payers (A)	Tax Employee (B)	Total
Valuation Method of Property	4	3	7 (16.27%)
Tax Rate	10	4	14 (32.56%)
Tax Exemption Limit	5	5	10 (23.26%)
Rebate & Penalty	2	2	4 (9.30%)
Tax Exemption	4	4	8 (18.60%)
Total	25	18	43 (100%)

(Sources: Opinion Survey)

Regarding the amendment of house and land tax provision, most of the respondent has given the priority to the tax rate. But there is a controversy between tax payers and tax employees. Tax payers would like to decrease the tax rate while tax employees are in favor of increment of tax rate. Very few respondents are in favor to amend the rebate

and penalty. It indicates that only rebate and penalty will not increase the collection of house and land tax.

4.9.4. Valuation of Method

Most of the respondents have said that valuation methods of house and land tax should be change. So, a question was asked “Do you think that the valuation method regarding to house and land tax is appropriate? If no, what method should be adopted for property valuation? The respondent’s responses are tabulated follows,

Table 4.14
Valuation of Method

Respondents	(Tax Payers) A	(Tax Employee)B	Total
Appropriate	–	15	15 (30%)
Not Appropriate	30	5	35 (70%)
Total			50 (100%)

(Source: opinion Survey)

The above table stated that out of 100%, total 70% of respondents are not satisfied with valuation method. In their opinion valuation of property tax should be based on market value. Likewise, only 30% of respondents said that the existing house and land tax valuation method is appropriate. And among the 30% respondents, most of the respondents are from tax employers not from tax payers.

4.9.5 Existing Valuation Rate & Depreciation Rate of Building

To find out the view of respondent about existing valuation rate and depreciation rate of building, a question was asked “In your opinion, the existing valuation rate and

depreciation rate of building regarding house and land tax is appropriate? If no, suggest the rate of depreciation and valuation of house". The respondents responses are tabulated follows,

Table 4.15

Existing Valuation Rate & Depreciation Rate of Building

Response	(Tax Payers) A	(Tax Employee) B	Total
Appropriate	9	20	29 (58%)
Not Appropriate	9	–	9 (18%)
No idea	12	–	12 (24%)
Total			50 (100%)

(Sources: Opinion Survey)

From the above table, it has been observed that 58% respondents are in favor of existing valuation and depreciation rate of building. However, 24% respondents have no idea about the valuation and depreciation rate. And only 9% respondents are not satisfied with current valuation and depreciation rate. Therefore, they suggested the following rates.

Table 4.16

Suggested Rate

Type of House	Rate per Sq.Feet	Depreciation Rate (%)	Year
Green (Raw) Bricks with mud mortar	300	5	20
Kiln Bricks (Stones) with mud mortar	400-450	4-3	20-25
Kiln Bricks with cement mortar	400-600	3-1.5	50-60
RCC frame structure	1000-1200	2-0.5	80-100

(Sources: Opinion Survey)

4.9.6 Exemption Limit

In order to know the respondents opinion about the current exemption limit, a question was asked” what is your opinion about present rate of House and Land tax & exemption limit?” The responses were as follows,

Table 4.17

Exemption Limit

Respondents	(Tax Payers) A	(Tax Employee) B	Total
Sufficient	22	15	37 (74%)
Not Sufficient	8	5	13 (26%)
Total			50 (100%)

(Source: Opinion Survey)

The above table mentioned that 74% respondents have no objection for current house and land tax exemption limits where as this exemption limit is not adequate for 26% of the respondents. They had suggested the limitations which were presented below.

Table 4.18

Suggested Rate

Present Limit	Suggested Limit	
	Tax Payer	Tax Officer
First upto 10 Lakh - Nil	Upto 25 Lakh- Nil	first upto 20 lakh -Rs 500
Next upto 10 Lakh - 300	Next 20 Lakh-500	Next upto 50 Lakh-0.05%
Next upto 30 Lakh - 0.05%	Next 30 Lakh -0.05%	Next upto 25 Lakh-0.25%
Next upto 50 Lakh - 0.25%	Next 50 Lakh - 0.25%	Next upto 25 Lakh-0.50%
Next upto 1 crore - 0.50%	Next upto 1 crore-0.50%	Next upto 1 crore- 0.75%
Remaining Amount - 1.5%	Remaining - 1 %	Remaing- 1%

4.9.7 Efficiency of Tax Administration

To know whether tax administration in KMC is efficient or not, a question was asked “Do you think that KMC’s tax administration system is effective? If no, please indicate the drawback that creates the inefficiency in KMC’s administration system?” The respondents are tabulated as follows:-

Table no.4.19

Efficiency of Tax Administration

Responses	(Tax Payers) A	(Tax Employee) B	Total
Yes	3	14	17 (17%)
No	27	6	33 (66%)
Total			50 (100%)

(Sources: Opinion Survey)

From the above table it is recognize that 66% of respondents complained that tax administration of KMC and other wards is not efficient. However 34% of respondents showed that the KMC’s tax administration is efficient. And those respondents, who are not satisfy with tax administration system of KMC, they have ranked the drawbacks related to KMC.

4.9.7.1 Analysis of Ranking

Table 4.20

Calculation of Weighted Average Mean (WAM), Standard Deviation and Co-efficient of Variation (CV)

Opinion	Rank								WAM	SD	CV (%)
	1	2	3	4	5	6	7	8			
Failure to Locate new tax payer	2	2	3	11	1	4	4	6	4.97	2.069	41.63
Irresponsible & Unqualified Staff	0	2	2	10	8	9	2	0	4.79	1.25	26.11
Lack of New Technology	0	0	7	5	15	3	2	1	4.73	1.24	26
Wide Spread Tax Evasion & Tax Avoidance	10	13	6	0	1	3	0	0	2.33	1.45	62.34
Complicated Tax Law	19	6	0	2	3	3	0	0	2.18	1.54	70
Delay in assessment & Collection	0	5	15	4	5	3	1	0	3.67	1.32	35
Unnecessary Outside Pressure	0	5	0	1	0	7	9	11	6.27	2.027	32
Remission System	2	0	0	0	0	1	15	15	7.06	1.63	23.14

Regarding the queries about the variables that hinder the KMC's efficiency to collect the house & land tax, most of the respondents are agree that House and Land tax laws & regulations are difficult to understand. The average mean for this reason is 2.18 & standard deviation is 1.54 and coefficient of variance is 70%. The second reason identified by the respondents is wide spread tax evasion & tax avoidance by the people. Most of the respondents are also not satisfied with the assessment & collection procedure of KMC, therefore they rank this reason in third position. Similarly, the respondents felt that KMC has lack of new technology, due to which the service provided by KMC is slow & unsystematic. The average mean for this reason is 4.73.

Furthermore, the respondents rank the reason irresponsible & unqualified staff on fifth position. In their view, due to this reason administrative harassment to the tax payer is increasing. The respondents are also indicated that KMC has failed to locate the new tax payer because the number of houses is increasing day by day. This reason has got sixth position in ranking. Likewise, the respondents especially tax officers are agree with unnecessary outside pressure that creates the difficulties in working environment of KMC. Remission system has got last position in ranking. The average mean for this is 7.06, standard deviation is 1.63 and coefficient of variation is 23.14%.

4.9.8 Tax Evasion Practices

KMC is not able to get its projected house and land tax amount. That’s why; there is a huge variance between projection and Actual house and land tax amount. To find out main reason of variance, a question was asked “Do you agree that tax evasion is a major constraint for tax collection system? If, yes what are the reasons for tax evasion problem? “The response of respondents is tabulated as below.

Table 4.21

Tax evasion is the major constraint for tax collection

Responses	(Tax Payers) A	(Tax Employee) B	Total
Yes	28	15	43(86%)
No	2	5	7 (14%)
Total			50 (100%)

(Sources: Opinion Survey)

Regarding the major constraint for tax collection, it has been observed that 14% respondents were disagreed with this statement. On the other hand 86% respondents were agreed and they have also mentioned the reason of tax evasion problem.

Table 4.22
Causes of tax evasion

Reason	(Tax Payers) A	(Tax Employee) B	Total
Corruption in tax authority	13	-	13 (30.23%)
Lack of Voluntary Compliance by tax payers	3	9	12 (27.91%)
Weak Incentive and punishment system	4	4	8 (18.60%)
Defective Tax Law	8	2	10 (23.26%)
Total	28	15	43 (100%)

(Sources: Opinion Survey)

As of the table, 30.25% of the respondents have claimed that corruption of tax authority is one of the main reasons for tax evasion problem. The majority of tax officers i.e. 9 of them believe that lack of voluntary compliance by tax payers is the main reason of tax evasion problem. So, they expressed their view that the taxpayer should develop the voluntary compliance habit. Whereas 23.26% respondents accused the defective tax law and only 18.60% respondents said that it is due to weak incentive and punishment system.

4.9.9 Control of Tax Evasion Problem

To find out the appropriate solution of tax evasion problem, a question was raised and requested to the respondents to select the best give alternatives.

Table 4.23

Appropriate solution to control the tax evasion problem

Sn.No.	Best Ways	Group A	Group B	Total
1	Strong Rules & Regulation	8	10	18(36%)
2	incentive program should be launch for staffs	6	6	12 (24%)
3	Better information system/updated information	9	2	11(22%)
4	Heavy fines and penalty should be imposed	7	2	9(18%)
				50 (100%)

(Sources: Opinion Survey)

Above table show that 36% respondent stress on strong rules and regulation. While 24% has given to the emphasis to the incentive program for staff which may help to cope with this problem. Likewise, 22% respondents believe that better information system is the best method. Similarly, 18% respondents approved that heavy fines and penalty should be imposed.

4.9.10 Sufficiency of House and Land Tax Revenue of KMC

The query regarding to the sufficiency House and Land tax revenue of KMC, 9 respondents gave their view 'yes' while rest 41 are in favor of insufficiency and they have also select the various alternatives to increase the revenue of KMC. The response of respondents is tabulated as below.

Table 4.24**Sufficiency of Contribution of House and Land Tax to Total Revenue**

Responses	Tax Payers (A)	Tax employee (B)	Total
Yes	7	2	9
No	23	18	41
Total	30	20	50 (100%)

From previous table no.4.3, it is clear that there is a huge variance between estimated and actual house and land tax collection. So, to reduce the variance and increase the tax revenue, respondents are requested to rank the best given alternative according to the priority.

Table 4.25**Ways of increasing House and Land Tax**

Option	Rank								WAM	SD	CV %
	1	2	3	4	5	6	7	8			
Regular evaluation & Monitoring	19	4	3	13	2	0	0	0	2.31	1.447	62.9
Incentive to regular tax payer	0	0	13	2	5	13	8	0	5.02	2.43	48.4
Simplification of Property tax assessment	7	17	3	6	4	4	0	0	2.88	1.578	54.79
Awareness program/ Tax education	4	4	8	7	3	15	0	0	4.12	1.731	42
Heavy fines & Penalty to defective taxpayer	0	0	0	0	0	0	17	24	7.58	0.48	6.46
Reduce administrative	11	16	8	0	6	0	0	0	2.365	1.28	54.28
Bring new technology	0	0	0	0	4	4	16	17	7.12	0.954	13.4
Door to Door collection	0	0	6	13	17	5	0	0	4.51	0.892	19.78

(Source: Opinion Survey)

In response to the question on ways of increasing House & Land Tax, a majority portion of the respondents gave their preference to regular evaluation & monitoring, without which KMC cannot perform any act to increase the house and land tax. The average mean for this is 2.31 and standard deviation is 1.447 and coefficient of variation is 62.9%. The next majority portion are in favor of reduce administrative harassment and suggested to reduce it to stimulate the taxpayers. Similarly, third emphasize of respondents fall on simplification of property tax assessment as the average mean for it is 2.88, standard deviation is 1.578 & coefficient of variation is 54.79%. It indicates that the drawbacks relating to the procedures of property tax assessment increase the variance between projected and actual collection of house and land tax. Awareness program or tax education rank in 4th position, as most of the tax payer are unaware about tax benefit. The respondents are also expected the easier & smooth service from KMC by providing door to door collection. Therefore this option has got fifth priority. Likewise, the respondent gave 6th priority to the incentive scheme to regular tax payer, which can be another best way to motivate the tax payers. As the world has been entered in new technological era, respondents felt the need of modern technology such as new accounting system, new software etc. so that tax office can work more systematically & can provide the better & fast service. Therefore respondents give 7th priority for this alternative. However, the respondents are also approving with the imposing heavy fines & penalty to defective taxpayer but as a last alternative. The average mean of this option is 7.58.

4.9.11 Best way to inform tax payers about House and Land Tax

To know the opinion about” the best way to inform the taxpayer to pay their respective H&L tax in time”, a question was asked to the respondents and requested to select the best given alternatives.

Table 4.26

Best way to inform tax payers about H&L Tax

Best Ways	(Taxpayer) A	(Tax employed) B	Total
Giving advertisement in Media	10	15	25(50%)
Informing through telephone call/SMS	12	2	14(28%)
Sending acknowledgement letter	8	3	11(22%)
			50(100%)

(Sources: Opinion Survey)

Above table demonstrate that 50% respondents believe that giving advertisement in media is the best way to inform the tax payers to pay their tax in a time. Similarly, 28% respondents approved that Informing through telephone call/SMS to tax payer is the best way in this modern technical world. And only 22% respondents agree that sending acknowledgement letter to tax payer is the best method.

4.9.12 Tax Compliance Habit

To depict the tax compliance habit of respondents a question was asked” Do you pay house and land tax in the certain time?” The responses are as follows,

Table 4.27

Tax Compliance Habit

Responses	(Taxpayer) A	(Tax employed) B	Total
Yes	3	20	23 (46%)
No	27	–	27 (54%)
Total			50(100%)

(Sources: Opinion Survey)

From above table, it is clear that 54% respondents did not pay their house and land tax in the certain time. Only 23% respondents paid their tax in a certain time. Among these 23%, most of the respondents are from tax employer .This show that taxpaying habit of taxpayer in KMC is slightly negative.

4.9.13 Complication in paying house and land tax

In order to know the opinion of respondents about the complication in paying house and land tax, a question was asked, “Did you have complication in paying house and land tax?” The replies are as follows,

Table 4.28

Complication in paying house and land tax

Responses	A	B	Total
Yes	28	4	32(64%)
No	2	16	18(36%)
Total			50(100%)

(Sources: Opinion Survey)

As of the above table, 64% respondents felt complication on paying tax. The complications expressed by them have been presented as follows:-

- Too much delay in making assessment
- Administrative harassment
- Complicated tax laws
- Irresponsible Staff

4.9.14 Utilization of collected house and land tax

To know the satisfaction level of respondents in regard of utilization of collected house and land tax, a question was asked “Are you satisfy with the utilization of collected house and land tax? If no, in what way KMC could utilize the revenue? Please suggest”.

Table 4.29

Utilization of collected house and land tax

Responses	(Taxpayer)A	(Tax employer) B	Total
Yes	6	8	14 (28%)
No	24	12	36 (72%)
Total			50(100%)

(Sources: Opinion Survey)

From the above table, it has been observed that 72% respondents were not satisfied with the utilization of collected house and land tax. They thought that KMC is not able to provide the basis services properly like water supply, sewage, roads etc and most of

the collected revenue spend on unnecessary requirements. They also said that KMC should reduce their unneeded expenses and must use for local developments.

4.9.15 Overall Satisfaction level of Taxpayer

Table 4.30

Overall Satisfaction level of Taxpayer

Responses	Taxpayer (A)	Tax Employee (B)	Total
Highly Satisfied	–		–
Moderate Satisfied	7	19	26(52%)
Unsatisfied	18	1	21(38%)
Highly Unsatisfied	5	–	5(10%)
Total	30	20	50(100%)

(Sources: Opinion Survey)

Above table show the taxpayer’s satisfaction level in KMC in regard to the existing tax policies, quality of services, information provided, tax documents, tax procedures and administrative mechanism as well as the overall tax administration. 52% of the respondents rating their satisfaction level as moderate and about 38% respondents were not satisfied with the overall tax administration. 10% respondents noted the system was highly unsatisfied.

4.10 Major Finding of the study

The study has focused on the practices of house and land tax in KMC .The study present the collection trend, collection efficiency, difficulties and utilization of house and land tax.

4.10.1 Major Findings from the Secondary Data

According to the secondary data presentation the major findings are as follows:

1. KMC collects the house and land tax from fiscal year 2057/58 under LSG Act 2055 and rules 2056.
2. Grants are the largest revenue sources and malpot/house and land tax is the third largest sources of KMC. KMC authorities are now trying to find out the new sources of income like property rental, sales, investment etc.
3. The highest contribution of house and land tax is 23% in fiscal year 2066/67 and 2067/68 which is more than previous fiscal year. But its contribution in total income structure is lower than others sources.
4. In fiscal year 2061/62 and 2065/66, KMC was success to collect more houses and land tax i.e. 122,344,464 and 230,477,605 which is greater than projection amount. But in others fiscal year, KMC could not achieve its target.
5. There is huge variance between actual collection and projection and it clearly indicates that KMC fails to accomplish its target because of tax evasion problem. KMC's projected budget looks quite ambitious and root level studies are necessary to before projection of house and land tax.
6. In fiscal year 2063/64 and 65/66, total contribution of house and land in local tax revenue is 78%.
7. House and land tax contribution in local tax revenue is fluctuating over the last 7 years.
8. Total expenditure of KMC has increasing trends. But the coverage of house and land tax on total expenditure of KMC is very low and unsatisfied.

9. In fiscal year 2067/68, the highest taxpayer is of KMC is Nepal Telecom, who paid 12 million for House and Land Tax.

10 KMC, as a capital people migrate from different parts of the country. Therefore, there is increasing population as well as household. AS increase the number of houses, KMC has a chance to collect more house and land tax and that money would available to meet the local expenditures.

4.10.2 Major Finding from the Primary Data

On the basis of the field survey and data presentation and analysis some important and major findings are drawn. The major findings from the primary data are as summarizes below;

1. Most of the people do not have detail knowledge about house and land tax So, Tax education awareness program is necessary to make tax payer consciousness about house and land tax which lead them to understand the procedure of tax assessments.
2. 90% respondents believe that the house and land tax contributes significantly to the development of municipalities.
3. Most of the people i.e. 86% are in favor of amendment of house and land tax provision and the majority portion among them has given the fi
4. 70% respondents approved that valuation of property tax should be based on market value.
5. The majority of taxpayer complains that KMC's tax administration system is not efficient and with respect the reasons regarding the variables that hinder the efficiency of KMC, majority preferences were significantly high in favor of

complicated tax law. The next preferences goes to wide spread tax evasion & tax avoidance and the respondents suggested that there must be strong rules & regulation to monitor & collection of House and land tax. The next majority of respondent gave their opinion to delay in assessment & collection, while another majority group has pointed out the lack of new technology. According to them the service provide by KMC is slow & unsystematic due to these two reasons and without new software data storage, collection, assessment etc. will not effective. The next priority given by respondent is irresponsible & unqualified staff, which increases the administrative harassment to the tax payer. They also indicated to the corruption of tax authority. In their view, if the tax payer did not get the co-operation from tax authority, if the tax authorities are not responsible towards the utilizing the tax amount, then definitely public will avoid the tax. Most of the respondents are also point out the weak part of KMC in searching of new tax payer. As the population density of KMC is increasing day by day, KMC should not rely on existing tax payers. Very few respondents gave the priority to the unnecessary outside pressure & remission system. It means KMC's efficiency is least affected by these two reasons.

6. Tax evasion is a major problem of tax collection system of KMC and there are various reasons for wide spread tax evasion. They are:
 - Corruption in tax authority
 - Lack of Voluntary Compliance by tax payers
 - Weak Incentive and punishment system
 - Defective Tax Law

7. The majority of tax officer believe that lack of voluntary compliance by tax payer is the main reason of tax evasion.
8. Regular evaluation and Monitoring reduce administrative harassment, simplification of law, incentive program for tax payer and staff, tax education to public, door to door collection etc is the solution to cope and control tax evasion.
9. Most of the respondents stated that KMC should apply motivational factor like rebate, prizes to regular tax payer to promote taxpaying.
- 10 Most of the respondents agreed that paying taxes to the government one's duty .So people should pay taxes and deserve to be penalized if they fail to do so.
11. Giving advertisement in media is the best way to inform about house and land tax, whereas sending SMS to informing by telephone will also help to remind the taxpayer to pay the tax in time.
12. For increasing the tax revenue, KMC should introduce some motivational schemes.
- 13.The query regarding the overall satisfaction with KMC's House and Land Tax Administration System, majority portion of respondent has gave their view as an Moderate satisfied tax payer. 38% respondents are unsatisfied while 10% are highly unsatisfied, due to its negligence of proper management of collected revenue of general public. According to them, the collected revenue should be utilized for the general public, which may reinforce them to pay the tax but KMC has fail to do so.

Chapter V

Summary, Conclusion and Recommendation

Summary

This research study concentrates on the contribution of house and land tax to total revenue of KMC. And this chapter summarizes the overall study and draws the conclusion from it. Some necessary recommendation and suggestions is also provided to strengthen the KMC regarding the collection and utilization of house and land tax.

5.1 Summary

Among the south region Asian countries, Nepal is one of the least development countries. Despite of its various efforts to reshape its economic structure, Nepalese government could not achieve its goal as they thought, due to lack of adequate funds and infrastructure.

Nepalese government has raised its required fund through revenue, grants, external and internal debt. But grants and debt have various limitations as compare to revenue. In annual budget the contribution of revenue is around 65-70%. In form of revenue the government has raise their funds through tax sources and non tax sources. Out of total revenue, the share of tax revenue is around 77%.

Tax sources are the contribution of people and organization to the government from their income. It can be imposed by the government as direct tax or indirect tax. And house and land tax can be considered as a direct tax as well as one of the major local taxes.

In Nepal, to mobilize local resources and to manage local affairs, local self government act is being practiced and the local level government has enforced the house and land tax under local self government act 2055 and its regulation 2056.

On the basis of development activities, Nepalese government had further declared 58 municipalities and 3913 village development communities. Among them, Kathmandu metropolitan city is the largest metropolitan city and it has become the metropolitan city in 29 Marg 2052 BS (1995 AD). For local administration, this city was further divided into 35 administrative wards. Ward no.16 is the largest with and area and ward no 26 is the smallest with an area of 4 hector.

In Nepal house and land tax was introduced by first elected government on 1959 A.D, as a central tax. Initially, this tax was introduced in Kathmandu, Lalitpur, Bhaktapur, Biratnagar, Birgunj, Nepalgunj, Janakpur and Butwal. Later it was extended to Bhadrapur, Dharan, Palpa, Hetauda and Bhaiahawa. After introduction of local self government act in 2055, collection authority of house and land tax is given to the local bodies to improve legislative framework for decentralization. However, previous law and rules are also considered for house and land tax purpose, when the LSG act 2055 is not sufficient to cover same aspect.

While house and land tax is applied, it has fixed rule to charge. This rate has been fixed by self government of Nepal to make easy tax collection. Building valuation rate has fixed by council and municipalities have only rights to determine the land valuation. Municipalities may levy house and land tax within their jurisdiction on the basis of size, type, design, construction and structure of the house and area covered by municipal council. This means house is classified according to the nature of its construction and also raw material used for building and given life as well as depreciation percentage so that house can be valued as property for charging the tax.

In respect of local resources, the contribution of house and land tax is noticeable. In fiscal year 2062/63 house and land tax contributed 13% to total revenue of KMC, which was increase to 23% in fiscal year 2067/68. Similarly, house and land tax contribution on local tax revenue is also cover 78% in fiscal year 2063/64 and 2065/66. But in FY 2066/67 and 2067/68 it shares only 21% and 28% due to decreasing trend of the coverage of house and land . Therefore it can be concluded that the coverage of house and land on total expenditure of KMC is very low and unsatisfied.

In regards of the projection amount of KMC, it seems huge difference between actual and projected. Only in fiscal year 2061/62 and 2065/66, KMC was success to collect more than the projection amount and i.e. 122,344,404.00 and 230,477,605.00 respectively. This difference is due to the lack of voluntary compliance of tax payers, which involved them in tax avoiding activities. False documentation, undervaluation of property etc are the main mode of tax evasion used by tax payers.

Although existing situation of tax leakages in Nepal is very alarming, the government should control the leakage by making strong rules and regulations, regular monitoring.

And to encourage the tax payers to pay taxes voluntarily, it is necessary to give them awareness program about the importance of taxation, tax laws and their responsibility towards local government.

Furthermore, despite of few resources, Kathmandu Metropolitan City has attempting to establish a systematic database and e-governance to provide better service. To aware the taxpayer, KMC is providing the information about house and land tax by establishing its own media i.e. Metro FM. To handle the grievance of taxpayer regarding unqualified staff, KMC has organized the general house and land tax training with the help of different organization like UDLE, MuAN and LBFC.

5.2 Conclusion

Even in 21st century, most of developing countries like Nepal are facing problems of lack of rapid, equitable and sustainable economic growth. The developing countries need adequate revenue to finance government investment in human capital development. For this purpose, they required huge revenue to allocate a higher proportion of expenditures to social expenditures-education, health, security and Communication etc. All this activities concerns to revenue and the adequate revenues depends on an efficient and well- designed tax system. But the Nepalese tax system is not clear and transparent. Tax laws and regulations are rigid and incomprehensive. The policies and procedures are not clearly defined. So, it makes confusion to taxpayer. Even, highly educated people are also felt that the tax policy is not simple and clear. The house and land tax provision which

mention in LSG act, is also difficult to understand for a normal people. So, most of the people are unaware of the important of house and land tax.

There is a high probability of house and land tax in KMC because as a bigger city, it has more properties of high value. The collection of House and Land tax is fluctuating over past years. Only fiscal year 2061/62 and 2065/66, KMC was able to collect more house and land tax than projection amount. But most of the years, tax collection is comparatively low than its projection period and it does not cover the total expenditure of KMC.

Therefore it can be concluded that though KMC has been trying its best, yet it is unable to control the revenue leakages. It also seems that taxpayers have a lack of voluntary compliance. Most of the people involved in tax avoiding and evading activities to reduce their tax liability. Specially, taxpayers are used undervaluation of property and false documentation as a mode of tax evasion. Therefore there must be consolidated record of property land and building either with Internal Revenue Department of Kathmandu Metropolitan City.

Administration constraint is also a reason of low tax collection. Lack of qualified staff and new technology, delay in assessment and collection, remission system and corruption etc are the main causes of administration inefficiency. Even, it comes into sight that there is short of staff commitment to end the tax evasion problem. Similarly, tax administration has also lack of innovative mechanism to identify new taxpayers and bring them into tax net.

Hence, to increase the house and land tax, KMC should abolish the tax evasion problem and government should make strong rule and regulation. But only making the rule and regulation on paper does not work. Implementation and regular monitoring are also equally important. Furthermore, lack of proper accounting and auditing system has also been hindrances for the proper functioning of Nepalese H & L tax. Therefore, KMC ought to establish a new technology to update the information like new software program, accounting system, billing system etc. KMC should reconsider the administration harassment; incentive program for taxpayer and staffs, rebate and remission system, penalty and reward system. As it can be seen, present rebates system is not effective. The defaulters are rather rewarded later by providing rebates on late fees and fines imposed by the tax offices, whereas the recognition given to the regular taxpayers is not significant. Apart from that, KMC should give emphasis to utilization of collected revenue. The collected revenue should be utilized for the general public, which may reinforce them to pay the tax regularly. Nevertheless, Most of the respondents are unsatisfied by the KMC due to its negligence of proper management of collected revenue for general public.

5.3 Recommendation

Nepal has taken the membership of world trade organization (WTO) in 2004 A.D. As a result of Nepal's accession to the WTO, Local Development Fee as the major income source for the country's 58 municipalities has to be abolished latest in 2011 A.D.

Consequently, it reduces the income sources of municipalities and it affects the development activities of municipalities. To fill the upcoming gap in financial resources bound to arise due to the abolishment of LDF, municipalities will force to explore alternative finance mechanisms for local government. In this regard House & Land tax has been very useful tool in the contingent of finance instrument of local government.

The local development fee was including 75% of all direct taxes in the municipalities' local structure. But house and land tax is contributed only 8% of the local taxes. And this leads to the assumption that the revenue generated by house and land tax will not be able to replace local development fee after 2011.

Therefore, to increase the contribution of house and land tax, to make the KMC more efficient and to achieve the goal of the taxation following recommendation can be drawn based on finding of the research study.

1. First of all existing tax system should be thoroughly reviewed and necessary steps should be taken to eliminate deficiencies in them. Likes,
 - Market rate should be considered for valuation of Property (Building and Land).
 - Penalty and rebate system should be change because the defaulters, who fail to pay tax, are rewarded later by providing rebates on late fees and fines imposed by the tax offices. Tax rebate should provide to the tax payers who submit the true property statement within the specified period of time and pay the tax regularly.

- Tax exemption provision should be modify because the numerous exemption narrow the tax base and increase the taxes on the remaining taxpayers. And it creates disproportionate tax burdens across communities.
2. For strengthening the tax administration, following steps are recommended,
- The responsibilities and duties of employees should be clearly defined.
 - Working environment of the tax offices should be imposed by providing necessary equipment like machinery and vehicles.
 - Delay in tax assessment should be reduced as soon as possible.
 - The cost of collection is one of the determinants of administrative efficiency. So, the concerned authority should pay the attention on it.
 - In the absence of proper record keeping system of tax, the governments do not look and determined about the status of revenue. That is why, necessary attention should be focus on proper accounting system.
 - All the attempts made by the employees to improve the situation of KMC have so far not been acknowledge by the Municipal Council. So, it leads to disillusion and frustration among the employees. Therefore to motivate the Staff Municipal Council, KMC should recognition the effort made by the administrative staff and must lunch various incentive programs. Like, those staffs who fulfill their responsibility and who contribute to collect more revenue or meet the target should be rewarded in public.
 - In most of the cases only the Chief Revenue Officers have received training in local property tax. The remaining employees have not benefited of any training and suffer from low qualification. So that, to develop the capacity of staff different types of

training should be lunch like computer training, IPT/HALT training and workshops for information sharing etc.

- Many municipalities have no updated database of house and land tax. Property records are kept manually and maintained in an ad hoc manner There is a tradition of projecting revenue from different taxes based on the past years collection trend and such trends are actually baseless. Municipalities have no information about tax base i.e. number of taxpayers. The collection efficiency remained very low in the case of house and land tax in the past years. Therefore, KMC should inaugurate new technology.
 - There is a need of Practical Guidelines and manual, which help municipalities not only during the implementation process, but also when problems arise during the actual assessment.
 - Should prepare informative and understandable Citizen Charter for every tax office that will convey the information to the visitors.
3. Nepalese tax policy and procedures including house & land tax are not clearly defined. Even highly educated people did not understand the policy. That is why, tax policy should be clearly defined and should use simple words rather than difficult and vast. In addition, the procedures should simple and clear.
 4. Tax changes are introduced every year through the Finance Act, but these changes are not automatically incorporated in the tax laws, often leading to discrepancies in the legal provisions made in the Tax and the Finance Act. This makes the entire tax system confusing and ambiguous. Furthermore, tax provisions have been spread over a wide range of acts. So, it is recommended that all property based taxed (Viz. Land

revenue, House & Land Tax) should be unify and must be defined in national legislation. It should be applied equally throughout the Nepal.

5. A co-ordination between the Land Revenue Department and the Local Governments should be strengthened.
6. To pay the taxes voluntarily, it is necessary to understand the importance of taxation. So. To encourage the taxpayers, education related to tax should be given to the public. Tax education must be started from the school level. And also the government should consider starting a tax college or academy in Nepal like Japan and Malaysia where we can make tax experts.
7. Revenue leakages are affecting not only revenue collection, it also affecting national economy and equity. Therefore an honest effort to control revenue leakage is necessary and for this, government should implement the rules and regulation strictly and strong steps should be taken to discourage those, who do not pay taxes or evade taxes.
8. Similarly, Social awareness program will also help to make the communities aware of negative impacts of tax evasion and effective use of collected taxes.
9. Municipal financial system should be transparent and more accountable. Municipal authorities must relay the information to the tax payers regarding the composition of municipal fund i.e. where does it comes from and where it goes.

10. Accountability, Participation, Transparency, Management, Innovation and Strategic Visions are some of the elements of good governance, which should be followed by Kathmandu Metropolitan City.
11. In addition, Collection Process has to be more transparent and professionalized. Setting up of displays that show amount paid and dues, Technical Equipments such as printer, who immediately deliver print out of payment bills. This leads to strengthen taxpayer's trust into the municipality.
12. Moreover, for the quick and hassle free services, KMC should provide the tax collection services through banking channels. To remind the tax payment date and amount Mobile Alert, Email and Sending SMS will also effective regarding tax collection procedures.
13. In regards of the House & Land Tax satisfaction level of tax payers, local government should involve local people in understanding local development activities and for better plan. And Local Government should manage their development priorities and must address local problems and challenges in time.

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ANNEX 1

घर जग्गा मूल्यांकन तथा कर लागने दर												
आ.व	कांचो पाको इटामा माटो जोडाई	पाको इटा माटोको जोडाई	पाको इटा सिमेन्ट जोडाई	आर.सि.सि. फ्रेम स्टक्चर	जग्गाको दर रु. लाखमा/प्रति रोपनी					करको दर	जम्मा कर	कैफियत
					मुल्य सडक	पिच सडक	कच्ची सडक	गोरेटो	घ.ज. मूल्य रु.लाखमा			
०४९-०५० (१ वर्ष)	१५०	२००	२३०	२४०	५	४.०	३.५	३	१०	कर नलाग्ने से	०	
					७.५	६.०	५.२५	४.५	धप १०			
०५०-०५३ (३ वर्ष)	३००	३५०	३८०	४००	१०	८	७	६	धप ३०	०.०५छ	१५००	
					१८	१४.४	१२.६	१०.८	धप ५०			
०५३-०५७ (४ वर्ष)	४५०	५२५	५७५	६२५	३०	२४	२१	१८	धप १००	०.५०छ	५००००	
					४०	३२	२८	२४	१०० माथि			
०५७-०६१	४५०	५२५	५७५	६३५	२१	१६.८०	१४.७०	१२.६०		प्रति रोपनी मुल्य . प्रति हेक्टर मुल्य		
					२४	१९.२०	१६.८०	१४.४०				
न्यास कृती	३छ	२छ	१छ	०।७५छ	९८	२२.४०	१९.६०	१६.८०				
न्यास कृती गर्ने	२५ वर्ष	३० वर्ष	७० वर्ष	१०० वर्ष	३०	२४	२१	१८				
जम्मा %	७५%	६०%	७०%	७५%	३२	२५.६०	२२.४०	१९.२०				
					४०	३२	२८	२४				
मालपोत/भूमिकर प्रति रोपनी												
आ.व.	जग्गाको किसिम							रोपनी/आना	हेक्टर	वर्गफिट		
								१ रोपनी	५०८।७४	५४७४	(७४") ^२	
	क	ख	ग	घ	ङ	च	नखुलेको	८ आना	२५४।३७	२७३८	(५२.३२७") ^२	
०१६/०१९	७।७	७।७	७।७	७।७	७।७	७।७	७।७	४ आना	१२७।१८५	१३६९	(३७") ^२	
०३९/०४९	४१।७०	२९।७०	२९।२०	१५।१०	१०।८०	७।७०		१ आना	३१।८०	३४२।२५	(१८.५") ^२	
०५०।हालस	१२८।००	१०२।४०	७६।८०	६१।४४	४६।०८	३५।८४	६१।४४	१ पैसा	७।९५	८५।५६	(९.२५") ^२	
								१ दाम	१।९९	२१।४०	(४.६३") ^२	

ANNEX 2

काठमाडौं महानगरपालिका

(घरजग्गा कर मूल्यांकनको लागि जग्गाको मूल्य (४.३ को १.२ सँग सम्बन्धित)

अनुसूचि- ५

काठमाडौं महानगर क्षेत्रभित्रका प्रमुखसडक एवंसडकको दायाँ बायाँका जग्गाहरुको घरजग्गा कर मूल्यांकनको प्रयोजनको लागि कायम गरिएको जग्गाको मूल्य ।

	(प्रति रोपनी रु.)
● हनुमान ढोका पूर्व नयाँ सडक, जुद्ध शम्शेरको शालिक हुँदै इन्द्रचोकसम्म...	४०,००,०००।-
● जुद्ध शालिकदेखि साविक का.म.पा. भवन रहेको स्थानसम्म...	४०,००,०००।-
● त्रिपुरेश्वर शालिकदेखि उत्तर कान्तिपथ हुँदै केशर महलको उत्तर दुग्ध विकास संस्थान दोबाटोसम्म...	४०,००,०००।-
● न्यूरोड गेटदेखि जुद्ध शम्शेरको शालिकसम्म...	४०,००,०००।-
● राजदरबार दक्षिण ढोकाबाट त्रिचन्द्र क्याम्पस रत्नपार्क हुँदै भद्रकालीसम्म...	४०,००,०००।-
● घण्टाघरदेखि कामलादी हुँदै पुतली सडक दोबाटोसम्म...	४०,००,०००।-
● थापाथली बागमतीको देखि उत्तर पुतली सडक, कृष्ण पाउरोटी चोक हुँदै हात्तीसार, जय नेपाल चित्रघर चोक, राजदरबारको दक्षिण ढोका हुँदै कोशर महल, त्रिदेवी मार्ग चोकसम्म...	४०,००,०००।-
● बागबजारदेखि रत्नपार्कसम्म...	४०,००,०००।-
● कमलादीबाट दरबार मार्ग श्री ५ महेन्द्रको शालिकसम्म...	४०,००,०००।-
● टुँडिखेल मूलबाटो, दूर संचार संस्थानको क्षेत्रीय कार्यालय सुन्दारादेखि खिचापोखरी हुँदै नयाँ सडकसम्म...	४०,००,०००।-
● राष्ट्रिय नाचघरको दोबाटोबाट विश्वज्योति सिनेमा भवन हुँदै संस्कृत छात्रावाससम्म...	४०,००,०००।-
● नयाँ सडकको पिपलबोटबाट पाको हुँदै रणमुक्तेश्वर दोबाटोसम्म...	४०,००,०००।-
● वीर अस्पतालको उत्तर-पूर्व कुनादेखि महाबौद्ध मन्दिरकी पूर्वसम्म...	४०,००,०००।-
● राजदरबार दक्षिण ढोका केशरमहल चौबाटो पश्चिम हुँदै त्रिदेवी मार्ग, ठमेल मूलचोक हुँदै क्षेत्रपाटी चोकसम्म...	४०,००,०००।-
● दुग्ध विकास संस्थानको दोबाटोदेखि अमृत क्याम्पस हुँदै सोह्रखुट्टे ओरालोसम्म	४०,००,०००।-
● काठमाडौं गेष्ट हाउसनिरको ३ दोबाटोदेखि पूर्व ठमेल चोकसम्म	४०,००,०००।-
● रानी पोखरीको पश्चिम कुनाबाट कमलाक्षी असन हुँदै इन्द्रचोकसम्म	४०,००,०००।-
● प्रदर्शनी मार्ग	४०,००,०००।-
● माइतीघर चोकदेखि थापाथली हुँदै त्रिपुरेश्वर त्रिभुवन शालिकसम्म	४०,००,०००।-
● त्रिपुरेश्वर त्रिभुवनको शालिक हुँदै विष्णुमती पुलसम्म	४०,००,०००।-
● मरुगणेशस्थानदेखि इन्द्रचोकसम्म	४०,००,०००।-
● कमलादीभित्रको पक्की सडक सबै	३२,००,०००।-
● सोल्टी मोडदेखि विष्णुमती पुलसम्म	३२,००,०००।-
● कालीमाटी चोक हुँदै कुलेश्वर गणेशस्थान चोकसम्म	३२,००,०००।-
● नयाँ बानेश्वर मूल सडक चोकदेखि पश्चिम ववरमहल हुँदै माइतीघर बस स्पपसम्म	३२,००,०००।-
● पुतली सडक चोकदेखि पूर्व सिंहदरबार वैद्य खाजा उकालोसम्म	३२,००,०००।-
● माइतीघर पुरातत्व विभाग चोकदेखि पूर्व मनकमना हल हुँदै वीरेन्द्र अन्तर्राष्ट्रिय सभा केन्द्र निस्कने चोकसम्म	३०,००,०००।-
● डिल्लीबजार ट्राफिक पोष्ट देखि उत्तर चारखाल हुँदै नक्साल भगवती भाटभोटेनी चोकसम्म	३०,००,०००।-
● भाटभोटेनीदेखि बालुवाटार राष्ट्रबैंक हुँदै महाराजगंज (सदर प्रहरी तालीम केन्द्र) अगाडिको मूल सडक	३०,००,०००।-
● मरुगणेशस्थानदेखि दक्षिण चिकंमुगल हुँदै टोकूसम्म	३०,००,०००।-
● मरुगणेशस्थान, यटखा, क्षेत्रपाटी, पकनाजोल हुँदै सोह्रखुट्टे ओरालोसम्म	३०,००,०००।-
● लैनचौरदेखि राजदरबारको उत्तर-पूर्व कुना हुँदै नागपोखरी चोकसम्म	३०,००,०००।-
● केशरमहल उत्तर पर्खालदेखि पानीपोखरी उकालोसम्म (खानेपानी विभागसम्म)	३०,००,०००।-
● पानीपोखरी उकालोदेखि त्रि.वि.वि. शिक्षण अस्पतालको गेटसम्म	३०,००,०००।-
● नयाँ बानेश्वर चोकदेखि पुरानो बानेश्वर चोक बत्तीस पुतली गौशाला हुँदै चावहिल चोक	३०,००,०००।-
● सिनमंगल बागमती पुल पश्चिम पुरानो बानेश्वर चोक हुँदै धोवीखोला, मैतीदेवी चोक, डिल्लीबजार चोक हुँदै पुतली सडक चोकसम्म	३०,००,०००।-
● सोल्टी मोडदेखि हिमालय हाइट र छिन्नलता पुरस्कारसम्म	३०,००,०००।-
● कालीमाटी टंकेश्वर, परोपकार विद्यालयको विष्णुमती पुल पश्चिम हुँदै महेन्द्र रत्न क्याम्पस चोकसम्म	२८,००,०००।-
● नागपोखरीबाट उत्तर हुँदै साम्राज्य शमशेरको घर भएर बालमन्दिर अगाडि चोकसम्म	२८,००,०००।-

● कमलपोखरीबाट (कृष्ण पाउरोटी) अगाडिको चोकदेखि ज्ञानेश्वर ओरालो हुँदै मैतीदेवी मन्दिर अगाडिबाट मैतीदेवी चोकसम्म	२८,००,०००।-
● नागपोखरीदेखि नक्साल भगवती वहाल हुँदै पूर्वतर्फ सानो गौचरपबाट ज्ञानेश्वर जाने सडकै सडक मैतीदेवी जाने ओरालोसम्म	२८,००,०००।-
● सिंह दरबारको उत्तर वैचखाना, अनामनगर, दक्षिणतर्फ हनुमान स्थानसम्म	२८,००,०००।-
● वैचखानादेखि कालिकास्थान हुँदै डिल्लीबजार, विजय मेमोरियल स्कूलसम्म	२८,००,०००।-
● सोड खुट्टे ओरालोदेखि बालाजु रिङ्गरोड चोकसम्म	२४,००,०००।-
● सोल्टी मोडदेखि रविभवन हुँदै रिङ्गरोड कलंकी चोकसम्म	२४,००,०००।-
● नयाँ बानेश्वर चोकदेखि पूर्व कोटेश्वर चोकसम्म	२४,००,०००।-
● कुलेश्वर गणेशस्थानदेखि बल्खु रिङ्गरोड चोकसम्म	२४,००,०००।-
● ज्ञानेश्वर ओरालो देखि रातो पुल हुँदै गौशाला चोकसम्म	२४,००,०००।-
● नयाँ बानेश्वर चोकदेखि शंखमूल जोन ओरालोसम्म	२४,००,०००।-
● सानो गौचरनदेखि ज्ञानेश्वर ओरालोसम्म	२४,००,०००।-
● त्रि.वि.वि. शिक्षण अस्पतालेको गेटदेखि चक्रपथ, नारायणगोपाल चोकसम्म	२४,००,०००।-
● रिङ्गरोड चावहिल चोकदेखि चुच्चेपाटीसम्म	२४,००,०००।-
● महेन्द्र रत्न क्याम्पस चोकबाट छाउनी म्युजियम हुँदै सीतापाइला, रिङ्गरोड चोकसम्म	२९,००,०००।-
● कलंकी, रिङ्गरोडबाट गाईवाच्छा पाटी बाफल हुँदै सोल्टीको उत्तर डेक्क ताइचल हुँदै महेन्द्र रत्न क्याम्पस चोकसम्म	२९,००,०००।-
● चक्रपथ नारायणगोपाल चोकदेखि पहिलेको बाँसवारी छाला तथा जुता कारखाना प्रवेशद्वारसम्म	२९,००,०००।-
● स्वयम्भू चोक, रिङ्गरोडबाट पूर्व स्वयम्भू स्तूप उत्तर पारी भगवान् पाऊसम्म	२९,००,०००।-
● भगवान् पाऊबाट विजेश्वरी मन्दिर हुँदै शोभाभगवती पुलसम्म	२९,००,०००।-
● भगवान् पाऊबाट डल्लुसम्म	२९,००,०००।-
● भगवान् पाऊदेखि रिङ्गरोड सिद्धार्थ वनस्थली चोकसम्म	२९,००,०००।-
● भगवान् पाऊबाट आर्मी अस्पताल हुँदै म्युजियम निस्कने चोकसम्म	२९,००,०००।-
● हिमालय हाइट, बाफल, कलंकी चक्रपथ हुँदै का.म.पा. १३ बडाबाट स्युचाटर सीमाना हुँदै थानकोट जाने कलंकी सडकसम्म	२९,००,०००।-
● गाईवाच्छा पाटी चोकबाट पश्चिम चक्रपथसम्म	२९,००,०००।-
● रविभवनदेखि माछागेट सुनार गाउँ (उत्तर सडक) हुँदै पश्चिम तर्फ बल्खु चक्रपथ निस्कने सडक र पूर्वतर्फ नैकपा (एमाले) पार्टी अफिस हुँदै चक्रपथ निस्कने सडक	२९,००,०००।-
● रविभवनबाट पूर्व लिंकन स्कूल हुँदै कुलेश्वर निस्कने सडक	२९,००,०००।-
● कुलेश्वर आवास सहायक पिचसडकसँग जोडिएको	२९,००,०००।-
● कलंकी चोकदेखि पश्चिम	२९,००,०००।-
● बल्खुदेखि त्रि.वि.वि. मूलगेटसम्म	२९,००,०००।-
● कोटेश्वर, तीनकुने जडीबुटी चोक, उत्तर पेप्सी कोला चोक हुँदै मनोहरा पुलसम्म	२९,००,०००।-
● जयवागेश्वरी चोकदेखि सिफल, कालो पुल, सानो गौचरनसम्म	२९,००,०००।-
● बालाजु रिङ्गरोड चोक पश्चिम, बालाजु उद्यान हुँदै बाइपास चोकसम्म	२९,००,०००।-
● चुच्चेपाटी, चावहिलदेखि बौद्ध ६ बडा कार्यालयसम्म	२९,००,०००।-
● भीमसेनगोला, बागमती पुल पूर्व रिङ्गरोड चोकसम्म	२९,००,०००।-
● रिङ्गरोड (उल्लेखित भएका चोकहरु बाहेक)	२९,००,०००।-

नोट:-

- यसमा सडक महत्वको आधारमा प्रत्येक कर क्षेत्रका प्रमुख मूल सडकहरुबाट, गएको (जोडिएको) सहायक बाटोहरुमा महत्व हेरी २०%, ३०%, ४०% सम्म छुट गरी मूल्यांकन गरिनेछ । तर यसरी मूल्यांकन गर्दा का.म.पा. क्षेत्रभित्रका जग्गाको अधिकतम रु. ५० लाखभन्दा बढी र न्यूनतम रु. ५ लाख ६० हजार भन्दा कम गरिने छैन ।
- उल्लेखित सडक महत्व तथा क्षेत्र विभाजनमा स्पष्ट हुन नसकेका सडकहरुको दायीं बायाँको जग्गाहरुको सम्बन्धमा मिल्दोजुल्दो प्रकृतिको सडक महत्व एवं क्षेत्र अनुसार मूल्यांकन गरिनेछ ।

ANNEX 3

Mr. Narayan (assumption) has owned following house and land in Kathmandu Municipality.

Particular	House Details
Mode of Construction	Klin Bricks with Cement Mortar
Total area of House	1500 sq.ft.
Land Area	3 Kattha
Year of construction	2047/48 B.S
Government Valuation Per Kattha	500,000.00

Solution

a. Computation of value of House and Land

Particular	Amount (Rs.)
Valuation of House Klin brick with cement mortar	
1500sq.ft * 575	862,500.00
(Less: Depreciation (1% * 19 * 862500))	163875
Net Value of House (A)	698625
Add: Value of Land (500000 per Kathha * 3 Kattha)(B)	1,500,000.00
Total value of House and Land (A+B)	2,198,625.00

b. Computation of Tax Liability

First Rs. 1000,000.00	Nil
Next Rs. 1000,000.00	Rs. 300
Next Rs 3000,000.00 @ 0.05 %	Rs.99.31
Total tax liability	Rs.399.31

Working Note: 2066/67-2047/48= 19 Years.

ANNEX 4

Dear Sir/Madam,

A thesis paper titled “Contribution of house and land tax to total revenue of KMC” is to be submitted to Tribhuvan University by me. I have needed your response on question asked you. I have sent you some question regarding house and land tax.

I hope for your timely response. Your co- operation has great value for me.

Thank you,
Kavita Bajracharya
Researcher
Shankar Dev Campus

Questionnaire

Instruction: - Please tick () the answer of your choice or whenever appropriate put in order of preference from 1 to last number on the basis of alternative.

Taxpayer

Tax officer

Name:

Address

1. Do you know about House and Land tax provision?

Yes

No

2. If Yes, Do you think the existing laws regarding house and land tax have sufficient provision?

➤ Sufficient

➤ Not Sufficient

➤ No Idea

3. In your opinion, house and land tax is the main sources of municipalities like KMC?

➤ Yes

➤ No

4. Is it necessary to amendment the provision of House and land tax?

➤ Yes

➤ No

If yes, which provision should be change?

- Tax exemption
- Tax rate
- Valuation Process
- Rebate & Penalty
- Tax exemption Limit

5. Do you think that the valuation method regarding to House and land tax is appropriate?

- Yes
- No

If no, what method should be adopted for property valuation?

- According to division to town area.
- According to value fixed by HMG land revenue office.
- According to market price.

6. In your opinion, the existing valuation rate and depreciation rate of building regarding house and land is appropriate?

- Yes
- No

If no, Please suggest the rate of depreciation and valuation of house.

<u>Type of House</u>	<u>Rate per Sq feet</u>	<u>Depreciation rate</u>	<u>year</u>
Green Bricks mud mortar	450	3%	25
Kiln Bricks with mud mortar	525	2%	30
Kiln Bricks with cement mortar	575	1%	70
RCC frame structure	635	0.75%	100

Suggest Rate

<u>Type of House</u>	<u>Rate per Sq feet</u>	<u>Depreciation rate</u>	<u>year</u>
-----	-----	-----	-----
-----	-----	-----	-----
-----	-----	-----	-----
-----	-----	-----	-----

7. What is your opinion about present rate of House and land tax and exemption limit?
- Sufficient
 - Not sufficient

If Not, What is your suggestion?

<u>Present Limit</u>			<u>Suggest Limit</u>		
First up to 10 lakh	Nil	Nil			
Next up to 10 lakh		RS. 300	-----	-----	-----
Next up to 30 lakh	0.05 %	Rs. 1500	-----	-----	-----
Next up to 50 lakh	0.25%	Rs. 12500	-----	-----	-----
Next up to 1 crore	0.5%	Rs.50000	-----	-----	-----
Remaining Amount	1.5 %	-	-----	-----	-----

8. Do you think that KMC's tax administration system is effective?

- Yes
- No

If no, Please indicate the drawback that creates the inefficiency in KMC's administration system? (Please rank 1 for most significant reason and 2 for second significant and so on.)

- Delay in assessment & Collection
- Irresponsible & unqualified staff
- Lack of new technology
- Wide spread tax evasion and tax avoidance
- Complicated tax law
- Failure to located new taxpayers
- Unnecessary outside pressure
- Remission System

If any other reasons, please explain.....

9. Do you agree that tax evasion is a major constraint for tax collection system?

- Yes
- No

If yes, what is the reason for the tax evasion Problem?

- Corruption in tax authority
- Defective tax law
- Weak incentive and punishment system.
- Lack of voluntary compliance by taxpayers.

10. Do you agree that following ways of tax evasion is normally used by taxpayer?

- Preparation of false document

- Quantity manipulation
- Under valuation of property

11. To control the tax evasion, what steps should be follow by KMC?

- To control the corruption, incentive program should be launch for staffs.
- Strong rule and regulation.
- Updated information
- Heavy fines and penalty should be imposed.

12. Do you think that the contribution of house and land tax to total revenue of KMC is sufficient?

- Yes
- No

If no, how KMC could increase tax revenue (Please Rank the alternatives according to the priority)

- Regular evaluation & Monitoring
- Incentive to regular tax payer
- Simplification of property tax assessment
- By awareness program or tax education
- Heavy fines and Penalty to the defective taxpayer
- Reduce administration harassment
- Bring new technology (New software, accounting system)
- Door to Door collection

13. What would be best way to inform the taxpayer to pay their respective property tax in a time, Please select one?

- Giving advertisement in media
- Sending acknowledgement letter
- Informing through telephone call/ SMS.

14. Do you pay house and land tax in the certain time?

- Yes
- No

15. Did you have complication in paying house and land tax?

- Yes
- No

If yes, what kind of problem you have to face? Please mention below.

.....

16. Do you think that KMC has properly utilized the collected revenue?
- Yes
 - No
17. What is your suggestion for effective tax collection system?
- Simplification of tax law
 - Better information system between tax payers and tax officers
 - End of corruption practices and train employees.
 - Introducing computerized Billing system in KMC.
 - Incentive program for staff.
18. Are you satisfied with the overall tax administration system?
- Highly satisfied
 - Moderate satisfied
 - Unsatisfied
 - Highly Unsatisfied

Thank You

काठमाडौं महानगरपालिकाको विगत ५ वर्षको राजश्व अनुमान र परिचालनको स्थिति

आय शीर्षक	०६१।६२ अनुमान	०६१।६२ यथार्थ	०६२।६३ अनुमान	०६२।६३ यथार्थ	०६३।६४ अनुमान	०६३।६४ यथार्थ	०६४।६५ अनुमान	०६४।६५ यथार्थ
मालपोत	४,५००,०००	४,३८८,५३५	५,०००,०००	३,५९३,१८३	५,०००,०००	३,८८५,४८५	५,०००,०००	४,४२१,२६९
घरजग्गा कर	११०,३७५,०००	१२२,३४४,४६४	१४०,०००,०००	९२,२४८,९९६	१५०,०००,०००	११५,५५०,८०४	२००,०००,०००	१४५,१९७,४००
बहाल कर	०	०	२,५००,०००	६४०,२०६	५,०००,०००	२,६८३,५३६	५,०००,०००	७,१६४,८६९
वार्षिक सवारी कर	७,०१२,०००	७,१७०,५६५	१०,०१२,०००	५,८५१,२६०	१०,०००,०००	५,१२२,०७४	७,५१०,०००	६,१७३,९०७
मनोरन्जन कर	२५०,०००	६३,७२७	१,५००,०००	१,५१५,०६८	१,६००,०००	१,२२९,६५५	१,५००,०००	१,१३९,१३२
विज्ञापन कर	१३,७००,०००	७,९०६,३०९	१८,०००,०००	६,३११,२३९	१५,७६६,०००	५,८२६,८५७	१०,०००,०००	११,९७७,४५४
व्यवसाय कर	३५,०००,०००	२१,७९२,५४१	२२,५००,०००	१६,२२६,०६४	२६,७४६,०००	१३,३९९,९७२	२०,५००,०००	२०,३०८,२१७
क) कर राजश्व	१७०,८३७,०००	१६३,६६६,१४१	१९९,५१२,०००	१२६,३८६,०१६	२१५,१२२,०००	१४७,९९८,३८३	२४९,५१०,०००	१९६,३८२,२४८
शुल्क, दस्तुर आय	१९२,२६५,०००	१४०,९७२,६४०	१८१,९६८,०००	१०९,६५५,८०२	१२३,१५४,०००	११८,०८८,५४६	१३३,११०,०००	१३६,५८८,६१०
आफ्नै सम्पत्तिबाट आय	३७,१८१,३६८	१६,२७१,६९३	४३,६२४,०००	१०,३७२,१४१	२८,४४५,०००	५,७९९,१८७	२५,८७६,०००	१९,५९२,८९२
अन्य शुल्क, दस्तुर, विक्रि, जोरवाना आदि	८१,९४०,०००	५६,३३६,०८८	१४८,६९०,०००	४२,५२७,८४५	६१,९९९,०००	४९,७७७,५०६	८९,०३३,०००	५३,८१७,८८१
स्थानीय विकास शुल्क	२५९,६००,०००	२३७,५७६,०००	२४०,०००,०००	२३७,५८९,६००	२३७,५७६,०००	२३७,५७६,०००	२३७,५७६,०००	२३७,५७६,०००
लगानी फिर्ता तथा व्याज आय	४०,०००,०००	०	२९,५००,०००	३४७,७९२	१०,०००,०००	५०७,८७६	२१,०००,०००	४,७९३,५४९
ख) गैर कर राजश्व	६१०,९८६,३६८	४५१,१५६,४२१	६४३,७८२,०००	४००,४९३,१८०	४६१,२२४,०००	४११,७४९,११५	५०६,५९५,०००	४५२,३६८,३३२
ग) विगत वर्षको आम्दानी	१,३५०,०००	५,९९४,६२८	३१,७००,०००	२६,६१०,२४४	३३,०००,०००	५१,९६९,०२०	३३,०००,०००	१८,२२९,१६०
कुल आन्तरिक आय(कखग)	७८३,१७३,३६८	६२०,८१७,१९०	८७४,९९४,०००	५५३,४८९,४४०	७०८,३४६,०००	६११,४१६,५१८	७८९,१०५,०००	६६६,९७९,७४०
नेपाल सरकारबाट अनुदान	१८६,३००,०००	१,०९२,९००	२५३,३९७,२००	७१,७३९,९२५	२३९,२००,०००	१९४,८०५,२००	३६५,६००,०००	१७४,५१६,४००
उपभोक्ता समूह, निजी क्षेत्र सहभागिता, अन्य निकाय अनुदान	४०९,९५३,९६७	१६,६२९,०००	२५९,५८०,०००	२७,९९६,४५७	३३७,५५३,०००	११५,०८९,६०५		
अन्य स्वदेशी, विदेशी अनुदान	८५,६७३,४७६	८,९७७,६२८	११४,९१३,८००	५९,४५३,८४८	२०,३९०,०००	८,५८२,८४८	२०८,३३३,०००	५०,५७०,४१६
ऋण तथा सापटिहरु	४५,०००,०००	०	२०,०००,०००	०	७०,३००,०००	०	२८,२३५,०००	०
बाह्य श्रोतबाट आय	७२६,९२७,४४३	२६,६९९,५२८	६४७,८९१,०००	१५९,१९०,२३०	६६७,४४३,०००	३१८,४७७,६८०	६१३,१६८,०००	२२६,२६८,७२८
कुल आय	१,५१०,१००,८११	६४७,५१६,७१८	१,५२२,८८५,०००	७१२,६७९,६७०	१,३७५,७८९,०००	९,२९,८९४,१९८	१,४०२,२७३,०००	८९३,२४८,४६८

आर्थिक वर्ष २०६८/१०६९ को अनुमानित आय (राजस्व) विवरण

लेखा संकेत	वजेट शीर्षक	२०६६/०६७ को आय	आ.व. २०६७/०६८ को आय		२०६८/०६९ को वजेट अनुमान
			अनुमानित	जेठ मसान्तसम्म	
१० ०१ ००	मालपोत/घरजग्गाकर	१८१,०८९,३६४.४५	३६७,५००,०००.००	२२८,४७७,२३२.४१	३७२,०००,०००.००
१० ०१ ०१	मालपोत	३,७२०,३६७.२१	७,५००,०००.००	३,६१६,०५०.३६	४,५००,०००.००
१० ०१ ०२	घर जग्गा कर	१७७,३६८,९९७.३४	३६०,०००,०००.००	२२४,८६१,१८२.०५	३६७,५००,०००.००
१० ०१ ०३	भूमिकर				
१० ०२ ००	सम्पत्ति बहाल कर	५,६१४,२१८.३७	३०,०००,०००.००	३,०२४,३६६.९९	२०,०००,०००.००
१० ०२ ०१	बहाल कर	५,६१४,२१८.३७	३०,०००,०००.००	३,०२४,३६६.९९	२०,०००,०००.००
१० ०४ ००	वार्षिक सवारी कर	५,१२७,६१९.००	१२,५००,०००.००	४,२९०,४३६.००	१५,०००,०००.००
१० ०४ ००	वार्षिक सवारी कर	५,१२७,६१९.००	१२,५००,०००.००	४,२९०,४३६.००	१५,०००,०००.००
१० ०५ ००	एकिकृत सम्पत्ति कर				
१० ०५ ०१	एकिकृत सम्पत्ति कर / सेवा शुल्क				
१० ०६ ००	मनोरञ्जन कर	८२,४५८.००	१,०००,०००.००		
१० ०६ ०१	सिनेमा हल	८२,४५८.००	१,०००,०००.००	-	
१० ०७ ००	व्यवसायिक भिडियो प्रदर्शन				
१० ०७ ०१	केबल अपरेटर				
१० ०८ ००	विज्ञापन कर	१६,६२३,५७३.७५	२६,५००,०००.००	७,९२१,७१०.५०	१९,०००,०००.००
१० ०८ ०१	परिचय पाटी				
१० ०८ ०२	विज्ञापन पाटी (होर्डिङ्ग बोर्ड समेत)	१४,३१७,६६८.७५	२२,५००,०००.००	५,९२६,२८८.५०	१६,०००,०००.००
१० ०८ ०३	विद्युतीय पाटी				
१० ०८ ०४	ब्यानर तथा पोस्टर				
१० १० ००	व्यवसाय कर	१७,७९९,३५६.९४	४०,०००,०००.००	२,०६५,४२२.००	३,०००,०००.००
१० २८ ०७	व्यवसायकर बढावाट संकलित	१७,७९९,३५६.९४	४०,०००,०००.००	२,०६५,४२२.००	३,०००,०००.००
११ ०१ ००	शुल्क आय	१२५,४६७,१९०.२३	२०२,६४०,०००.००	१३१,७७२,५२६.८८	२०२,६४०,०००.००
११ ०१ ०१	सवारी प्रवेश शुल्क (थानकोट)	५,१७५,७०६.००			
११ ०१ ०३	वसपार्क प्रवेश शुल्क	८९४,७१०.००	१,५००,०००.००	१,२७९,३५४.००	१,५००,०००.००
११ ०१ ०४	सम्पत्ति मूल्यांकन शुल्क	२,६११,८१७.२९	१,०००,०००.००	१,०२१,५२८.१७	१,०००,०००.००
११ ०१ ०५	नक्सापास दस्तुर	१०३,०१०,०८०.७४	१८०,०००,०००.००	११७,३५४,८७२.७१	१८०,०००,०००.००

आर्थिक वर्ष २०१६-१७ को अनुमानित आय (राजस्व) विवरण

लेखा संकेत	वर्ग शीर्षक	संकेत नं.	२०१६/०६५ को यथार्थ	आ.व. २०१६/०६६ को राजस्व आय		२०१६/०६७ को बजेट प्रस्तावित
				अनुमानित	यथार्थ आय	
90 01 00	मालपोत/घरजग्गाकर		१४९,६१८,६६९.६५	१८४,५००,०००.००	२३५,८५४,७५४.१३	२४०,५००,०००.००
90 01 01	मालपोत	१.१.१	४,४२१,२६९.४६	४,५००,०००.००	५,३७७,१४९.२०	५,५००,०००.००
90 01 02	घर जग्गा कर	१.१.२	१४५,१९७,४००.१९	१८०,०००,०००.००	२३०,४७७,६०४.९३	२३५,०००,०००.००
90 02 00	सम्पत्ति बहाल कर		७,९६४,८६८.९५	१५,०००,०००.००	९,६९६,६५६.६९	१२,५००,०००.००
90 02 01	बहाल कर	१.२.१	७,९६४,८६८.९५	१५,०००,०००.००	९,६९६,६५६.६९	१२,५००,०००.००
90 04 00	वार्षिक सवारी कर		६,१७३,९०७.००	७,५००,०००.००	६,४८०,८००.००	७,५००,०००.००
90 04 00	वार्षिक सवारी कर	१.२.४	६,१७३,९०७.००	७,५००,०००.००	६,४८०,८००.००	७,५००,०००.००
90 06 00	मनोरञ्जन कर		१,१३९,९३२.००	१,२००,०००.००	१,००६,०७७.००	१,२००,०००.००
90 06 01	सिनेमा हल	१.२.६	१,१३९,९३२.००	१,२००,०००.००	१,००६,०७७.००	१,२००,०००.००
90 08 00	विज्ञापन कर		११,९७७,४५४.२५	१४,०००,०००.००	१५,३९४,७८०.२१	१६,२००,०००.००
90 08 01	परिचय पाटी	१.२.८		१,०००,०००.००		
90 08 02	विज्ञापन पाटी (होर्डिङ्ग बोर्ड समेत)	१.२.८	१०,८०५,०३९.२५	१२,०००,०००.००	१४,१८०,७८०.२१	१५,०००,०००.००
90 08 04	ब्यानर तथा पोस्टर	१.२.८	१,१७२,४१५.००	१,०००,०००.००	१,१८४,०००.००	१,२००,०००.००
90 10 00	व्यवसाय कर		२०,३०८,२१७.०५	२५,०००,०००.००	२६,४८३,८३३.३१	२७,५००,०००.००
90 28 07	व्यवसायकर वडाबाट संकलित	१.२.३	२०,३०८,२१७.०५	२५,०००,०००.००	२६,४८३,८३३.३१	२७,५००,०००.००
91 01 00	शुल्क आय		१३३,९५४,६७८.२७	१४४,४१०,०००.००	१५८,९६८,७९०.२९	१६९,३९५,०००.००
91 01 01	सवारी प्रवेश शुल्क (थानकोट)	१.३.३	४,६५१,९५०.००	६,०००,०००.००	४,४४३,९२०.००	५,०००,०००.००
91 01 03	बसपार्क प्रवेश शुल्क	१.३.३	९६२,३४२.००	१,५००,०००.००	९१५,८४७.००	१,०००,०००.००
91 01 04	सम्पत्ति मूल्यांकन शुल्क	१.३.३	२,८७५,४००.३६	३,०००,०००.००	५,४३७,३४५.८०	५,०००,०००.००
91 01 05	नक्सापास दस्तुर	१.४.२	१०९,५५०,१६२.९८	११५,०००,०००.००	१३१,३०५,१८१.१६	१४०,०००,०००.००
91 01 06	मेला तथा बजार/मनोरञ्जन शुल्क	१.३.३	८२,२९४.००	५००,०००.००	१९,२३५.००	५०,०००.००
91 01 07	शौचालय शुल्क	१.३.३	६०७,०००.००	१,०००,०००.००	४७२,५००.००	८००,०००.००
91 01 08	डिजाइनर दस्तुर	१.४.२	७,८८०,०००.००	८,०००,०००.००	८,९१९,३००.००	९,०००,०००.००

काठमाडौं महानगरपालिका
आर्थिक वर्ष २०६८/०६९

पूजिगत (सम्पत्ति) खर्चको अनुमानित व्यय

लेखा संकेत	वजेट शीर्षक	२०६६/०६७ को यथार्थ	आ.व. २०६७/०६८ को व्यय		२०६८/०६९ को वजेट अनुमान
			अनुमान	२०६८ जेष्ठ सम्मको खर्च	
११ ०० ००	भवन	१,३७३,६८७.०४	६२,७००,०००.००	-	६२,७००,०००.००
११ ०१ ००	आफ्नै जग्गामा भवन	१,३७३,६८७.०४	६२,७००,०००.००	-	६२,७००,०००.००
१३ ०० ००	कार्यालय उप-करण कम्प्युटर	१,३९५,५११.६९	६,०००,०००.००	१,५४६,४२७.९८	६,०००,०००.००
१३ ०१ ००	कार्यालय उप-करण कम्प्युटर	१,३९५,५११.६९	६,०००,०००.००	१,५४६,४२७.९८	६,०००,०००.००
१४ ०० ००	कार्यालय उप-करण अन्य	१,४४४,१११.८५	३,२७०,०००.००	१,०३७,६०७.४६	३,२७०,०००.००
१४ ०१ ००	कार्यालय उप-करण अन्य	१,४४४,१११.८५	३,२७०,०००.००	१,०३७,६०७.४६	३,२७०,०००.००
१५ ०० ००	फर्निचर र फिटिङ्ग्स	९२३,३७४.५१	५,००,०००.००	१,३०५,४१५.११	५,००,०००.००
१५ ०१ ००	फर्निचर र फिटिङ्ग्स	९२३,३७४.५१	५,००,०००.००	१,३०५,४१५.११	५,००,०००.००
१६ ०० ००	सवारी साधनहरू				७,०१५,०००.००
१६ ०१ ००	सवारी साधनहरू				७,०१५,०००.००
१७ ०० ००	यन्त्र तथा उप-करण		११,१४०,०००.००	७०७,८१८.३७	११,१४०,०००.००
१७ ०१ ००	यन्त्र तथा उप-करण		११,१४०,०००.००	७०७,८१८.३७	११,१४०,०००.००
२१ ०१ ००	दिघकालीन ऋण	१०,०००,०००.००	१५,००,०००.००	१५,००,०००.००	१५,००,०००.००
२१ ०४ ००	आयोजनालाइ ऋण सापटी	१०,०००,०००.००	१५,००,०००.००	१५,००,०००.००	१५,००,०००.००
२२ ०१ ००	दिघकालीन धरोटी	१५,०००.००	२०,०००.००	१,५००.००	२५,०००.००
२२ ०१ ००	टेलिफोन धरोटी	१५,०००.००	२०,०००.००	१,५००.००	२५,०००.००
	पूजिगत (सम्पत्ति) खर्च :-	१५,१५९,६८५.०९	२३५,६३०,०००.००	२३,१००,७६८.९२	२३५,६३०,०००.००
तलब पारिश्रमिक तथा श्रुतिध्याको अनुमानित व्यय					
७० ०१ ००	तलब / पारिश्रमिक	११६,८६२,९३८.८३	१४०,७००,०००.००	१०९,३९९,९०५.६७	१४०,७००,०००.००
७० ०१ ०२	स्थायी कर्मचारी	१००,८७६,२७७.९८	१२०,०००,०००.००	९३,८४३,७५९.१७	१२०,०००,०००.००
७० ०१ ०३	अस्थायी कर्मचारी	९९,०००.००	१००,०००.००	६३,०००.००	१००,०००.००
७० ०१ ०४	करार कर्मचारी	१५,३८६,५६६.६६	२०,०००,०००.००	१४,८०९,१५४.५०	२५,०००,०००.००
७० ०१ ०५	अन्य (सल्लाहकार)	५,०००.००	६००,०००.००	६८४,०००.००	६००,०००.००
७० ०३ ००	कर्मचारी लुगा खर्च-र.ता	७,२९३,३००.००	९,५००,०००.००	८,९६०,०००.००	९,५००,०००.००
७० ०३ ०१	कर्मचारी लुगा खर्च-भत्ता	७,२९३,३००.००	९,५००,०००.००	८,९६०,०००.००	९,५००,०००.००

७०	०४	००	कर्मचारी सञ्चय कोष थप	९,३१७,७६८.७८	११,०००,०००.००	८,६२०,३८०.८०	१५,०००,०००.००
७०	०४	०१	सञ्चय कोष थप	९,३१७,७६८.७८	११,०००,०००.००	८,६२०,३८०.८०	१५,०००,०००.००
७०	०६	००	ओभर टायम भत्ता	५६,७७५.००	१,०००,०००.००	१,११३,११३.५७	७,५००,०००.००
७०	०६	०१	कर्मचारी ओ.टा.भत्ता	५६,७७५.००	१,०००,०००.००	१,११३,११३.५७	७,५००,०००.००
७०	०७	००	औषधि उपचार खर्च	१,१८६,१६०.११	२,५००,०००.००	२,४८७,५२५.२०	१,०००,०००.००
७०	०७	०१	कर्मचारी औषधि उपचार खर्च	१,१८६,१६०.११	२,५००,०००.००	२,४८७,५२५.२०	१,०००,०००.००
७०	०८	००	महंगी भत्ता	१३,५१५,५२०.००	१५,०००,०००.००	१३,५३३,७२०.००	-
७०	०८	०१	महंगी भत्ता	१३,५१५,५२०.००	१५,०००,०००.००	१३,५३३,७२०.००	-
७०	०९	००	राशन भत्ता-खर्च	४,५३२,७३३.४९	५,०००,०००.००	४,०१३,९७५.६०	४,०००,०००.००
७०	०९	०१	सुरक्षा कर्मचारी राशन	४,५३२,७३३.४९	५,०००,०००.००	४,०१३,९७५.६०	४,०००,०००.००
७०	१०	००	खाजा भत्ता	४०,०६५.७५	-	-	-
७०	१०	०१	स्थायी कर्मचारी	४०,०६५.७५	-	-	-
७०	१२	००	अन्य भत्ता	२९,१७८,७११.८९	३३,५००,०००.००	३१,४२१,११९.७८	३६,०००,०००.००
७०	१२	०१	प्रोत्साहन तथा विविध भत्ता	४,६०९,६९७.९७	७,५००,०००.००	८,७७३,०४०.१८	१,०००,०००.००
७०	१२	०३	परिवहन भत्ता	-	-	-	२,५००,०००.००
७०	१२	०४	महानगर भत्ता	२४,५६९,०१३.९२	२६,०००,०००.००	२२,६४८,०७९.६०	३२,५००,०००.००
७०	१३	००	कर्मचारी बीमा	५,१५९,८५३.२०	६,८००,०००.००	घचभान	६,८००,०००.००
७०	१३	०१	कर्मचारी सामूहिक बीमा	५,३९,८६३.१५	१,५००,०००.००	घचभान	१,५००,०००.००
७०	१३	०२	कर्मचारी बीमा थप	४,६१९,९९०.०५	५,३००,०००.००	४,२२३,०००.००	५,३००,०००.००
७०	१५	००	कर्मचारी अबकाश खर्च	२८,०२३,८५९.४१	४५,५००,०००.००	२६,१०३,६१९.६९	४३,०००,०००.००
७०	१५	०१	उपदान	६,८०७,२४४.४३	१२,०००,०००.००	९,४५२,५३४.९१	१३,०००,०००.००
७०	१५	०२	निवृत्ति भरण	१३,४९१,३११.९१	२२,५००,०००.००	११,३३४,२१३.८२	२०,०००,०००.००
७०	१५	०३	सञ्चित विदाको रकम	३,३९०,६००.०१	५,०००,०००.००	२,५०३,९८८.१४	४,०००,०००.००
७०	१५	०४	सञ्चित उपचार खर्च	४,३३४,७०३.०६	६,०००,०००.००	२,८१२,८८२.८२	६,०००,०००.००
			तलब, पारिश्रमिक, सुविधा खर्च :-	२१५,१६६,८८६.४६	२७०,५००,०००.००	घचभान	३०८,२४०,०००.००

कार्यालय अञ्चालय स्तरको अनुभावित व्यय

७१	०१	००	उपयोग खर्च	३,१०९,५४०.०१	६,४००,०००.००	२,४८४,३२२.३८	४,३००,०००.००
७१	०१	०१	विद्युत महसूल	३,०२०,३८४.०९	६,०००,०००.००	२,३५१,९६३.३२	४,०००,०००.००
७१	०१	०२	खानेपानी/धारा महसूल	८९,१५४.९२	४००,०००.००	१३३,३५९.०६	३००,०००.००
७१	०२	००	मालसामान	१४,६८३,९३३.५१	१७,२२५,०००.००	६,५९५,३१५.७६	१५,१३०,०००.००
७१	०२	०१	मसलन्द तथा छपाई	७,५६८,५११.१४	३,५००,०००.००	३,०२०,५७३.३२	८,७५०,०००.००
७१	०२	०२	पत्र-पत्रिका प्रकाशन	-	-	-	-

७१	०३	पत्र-पत्रिका/पुस्तक खरिद	४८४,८६६.३०	४००,०००.००	४००,००६.०४	४८०,०००.००
७१	०४	सानातिना सामान	४४८,०८७.९०	४००,०००.००	७९,७०७.२४	४००,०००.००
७१	०५	कार्यालय मालसामान	६,०३०,१२४.४७	६,४००,०००.००	३,०९४,४२९.१४	४,०००,०००.००
७१	०६	ईन्धन अन्य प्रयोजन		२४,०००.००		
७१	०७	औषधि खरिद	१४२,४०२.६०	२००,०००.००		३००,०००.००
७१	०३	सेवा तथा तालिम	३०,७४३,१८२.४१	३८,२००,०००.००	२३,४८३,८३९.४७	४४,४४०,०००.००
७१	०३	जन-शक्ति तालिम	१,३२१,३३९.००	३,४००,०००.००	४४७,४३०.००	४,०००,०००.००
७१	०३	अध्ययन भ्रमण		३००,०००.००		
७१	०३	अनुसन्धान/सभे		३००,०००.००		८४०,०००.००
७१	०३	बैठक तथा समिति भत्ता	१,०१६,०००.००	१,४००,०००.००	१,४०६,८८४.००	१,४००,०००.००
७१	०३	बैठक तथा समिति खर्च	४०८,४७०.९१	४००,०००.००	४४७,७१७.९२	४००,०००.००
७१	०३	लेखा परीक्षण शुल्क	६२,१५०.००	३००,०००.००		१,४००,०००.००
७१	०३	लेखा परीक्षण खर्च	२२,९६९.००	१००,०००.००	६४,८८४.१३	३००,०००.००
७१	०३	परामर्श शुल्क		७००,०००.००	१८१,७२०.००	१,०००,०००.००
७१	०३	कानूनी सल्लाहकार तथा अन्य शुल्क		१००,०००.००		१००,०००.००
७१	०३	अन्य व्यवसायिक फी		१००,०००.००		१००,०००.००
७१	०३	सदस्यता दर्ता/नवीकरण शुल्क	१६०,८७४.००	४४०,०००.००	६९४,६४६.४२	४००,०००.००
७१	०३	कर्मचारी पुरस्कार	२००,०००.००	२००,०००.००		२४०,०००.००
७१	०३	कर्मचारी कल्याण कोष	२७,४००,०००.००	३०,०००,०००.००	२०,०००,०००.००	३४,०००,०००.००
७१	०३	धुलाई खर्च	४१,२७८.६०	१००,०००.००	२४,४४४.००	१००,०००.००
७१	०३	अन्य सेवा		४०,०००.००	१४,०००.००	४०,०००.००
७१	०४	सूचना तथा विज्ञापन खर्च	२,०४७,०१६.२९	२,३००,०००.००	२,८८४,१४१.८१	२,८००,०००.००
७१	०४	सूचना प्रकाशन कार्यक्रम सम्बन्धी	१,७९०,०७३.०७	२,०००,०००.००	२,४८४,६७०.८१	२,४००,०००.००
७१	०४	शुभकामना, प्रचार प्रसार / विज्ञापन	२५६,९४३.२२	३००,०००.००	३००,४७१.००	३००,०००.००
७१	०४	अन्य				
७१	०५	भ्रमण खर्च तथा दैनिक भत्ता	३,३४०,३००.४०	६,०००,०००.००	२,०६१,४२८.६४	३,६००,०००.००
७१	०५	भ्रमण खर्च	६२०,०२४.९४	२,४००,०००.००	९२०,९८६.९६	१,४००,०००.००
७१	०५	दैनिक भत्ता	१,८२८,४३७.४०	२,४००,०००.००	४६१,९९०.००	१,४००,०००.००
७१	०५	अन्य खर्च	९०१,८३८.१६	१,०००,०००.००	४७८,४४१.६९	६००,०००.००
७१	०६	स्थानीय परिवहन तथा यातायात खर्च				
७१	०६	स्थानीय ट्याक्सी भाडा				
७१	०६	यातायात-भरिया खर्च				

७७	०७	००	सवारी साधन सञ्चालन खर्च	३,५४२,४६२.४९	६,७५०,०००.००	४,२५१,०९५.९१	५,५००,०००.००
७७	०७	०१	वार्षिक दत्ता-नविकरण शुल्क		२५०,०००.००		
७७	०७	०२	सवारी बीमा		२,०००,०००.००	१,२७१,०२४.००	२,०००,०००.००
७७	०७	०३	मर्मत सम्भार	१,०३९,३२८.७६	२,०००,०००.००	१,९४,५९२.००	३००,०००.००
७७	०७	०४	पेट्रोल/डिजेल	२,५०३,१३३.७३	२,५००,०००.००	३,४८५,२५९.९१	३,५००,०००.००
७७	०८	००	सञ्चार खर्च	२,६७६,४७६.७५	४,६००,०००.००	२,१००,३६२.४४	५,७२०,०००.००
७७	०८	०१	हुलाक/कुरियर सेवा	३६,४००.४०	१००,०००.००	२९,५००.००	५०,०००.००
७७	०८	०२	टेलिफोन तथा फ्याक्स	२,२८४,३९३.३५	३,५००,०००.००	१,३५९,९५९.६९	३,५००,०००.००
७७	०८	०३	ईमेल/इण्टरनेट	३५५,६८३.००	१,०००,०००.००	७१०,६२२.७५	२,१७०,०००.००
७७	०८	०४	अन्य				
७७	०९	००	मर्मत तथा सम्भार	२,७१०,९४०.४७	४,६००,०००.००	३,१४८,०३६.२६	७,३००,०००.००
७७	०९	०१	भवन मर्मत	९८०,५५८.८२	२,०००,०००.००	१,५१२,४२२.३५	३,१००,०००.००
७७	०९	०२	भाडाको अन्य भवन मर्मत	१०,०००.००			
७७	०९	०३	कार्यालय उप-करण कम्प्युटर मर्मत	७०१,६३२.५७	१,०००,०००.००	१,०३१,३१५.९१	१,५००,०००.००
७७	०९	०४	अन्य कार्यालय उप-करण मर्मत	९३९,४४०.१०	१,०००,०००.००	२३०,९४७.०५	१,०००,०००.००
७७	०९	०५	फर्निचर मर्मत	१,०७३.५०	५००,०००.००	२४५,५९३.००	५००,०००.००
७७	०९	०६	अन्य मर्मत	७८,२३५.४८	१००,०००.००	१२७,७५७.९५	१,२००,०००.००
७७	१०	००	भाडा/दस्तुर/शुल्क र करहरू	२,१३५,५८८.७२	२,३५०,०००.००	१,१६५,१६८.००	२,२००,०००.००
७७	१०	०१	कार्यालय भवन भाडा	२,०५८,१७६.००	२,२००,०००.००	१,०३९,६३२.००	२,०००,०००.००
७७	१०	०२	उप-करण भाडा		५०,०००.००		
७७	१०	०३	अन्य भाडा	१४,६९०.००	५०,०००.००		
७७	१०	०४	कर दस्तुर	६०,७२२.७२	१००,०००.००	१२५,५३६.००	२००,०००.००
७७	१०	०६	लाईसेन्स दस्तुर				
७७	११	००	वित्तिय खर्च	२८,८४५,६७५.५२	३५,०५०,०००.००		३५,०५०,०००.००
७७	११	०१	बैंक दस्तुर	१३,९४६.९२	५०,०००.००		५०,०००.००
७७	११	०२	ऋणको ब्याज	२८,८३१,७२८.६०	३५,०००,०००.००		३५,०००,०००.००
७२	००	००	अनुदान तथा अन्य खर्च	२,५७४,७७६.६४	२,५५०,०००.००	२,०२४,५५८.४३	४,८५०,०००.००
७२	०१	००	सांस्कृतिक जात्रा पर्व सञ्चालन	४७७,४७५.००			
७२	०२	००	आर्थिक सहायता	१००,०००.००	१००,०००.००	९९,५००.००	१००,०००.००
७२	०२	०१	विशेष अनुदान	७५६,९२९.६०	१,०५०,०००.००	१,०४६,०००.००	१,५००,०००.००
७२	०३	००	सेमिनार-वर्कशप-गोष्ठी	१३३,७०९.३२	१५०,०००.००	१३,०००.००	१,९५०,०००.००
७२	०४	००	सहभागी शुल्क-खर्च	१०,०००.००	५०,०००.००		

८६	१४	०२	दर्शन तिहारमा विशेष सर-सफाई	८४५,०००.००	४००,०००.००				८००,०००.००
८७	१४	०४	वातावरण विभाग अन्य कार्य	४,४७७,९०१.८२	८,३००,०००.००				२०,०००,०००.००
८६	१४	०५	समूदाय परिचालन कार्यक्रम	७९५,१९९.००	६,४००,०००.००				१९,०००,०००.००
८६	१४	०६	विगत वर्षका योजना (कार्यसम्पन्न)	१,००८,५२३.८७	१७,५००,०००.००				१५,०००,०००.००
८६	१४	०७	अस्पतालजन्य फोहर व्यवस्थापन						
८६	१४	०८	सफाई सम्बन्धी कर्मचारी पारिश्रमिक	१५९,१९५.८७.९०	१६०,०००,०००.००				२१०,०००,०००.००
८६	१४	०९	सफाई सम्बन्धी कर्मचारी अन्य सुविधा	३२,०२७,६१६.५१	४०,०००,०००.००				४२,०००,०००.००
८६	१४	१०	सफाई कार्यको लागि इन्धन खर्च	५१,१८२,४७१.०४	६२,५००,०००.००				७०,०००,०००.००
८६	१४	११	संयन्त्र मर्मत, लुब्रिकेण्टस तथा अन्य शुल्क	१०,२४१,९७१.९५	२९,०४०,०००.००				३०,०००,०००.००
८६	१५	००	अन्तर्राष्ट्रिय सम्बन्ध अन्य सेवा	२८,१५३,९५५	२,६८०,०००.००				३,९००,०००.००
८६	१५	०३	अन्तर्राष्ट्रिय सम्पर्क तथा सम्बन्ध सचिवालय सुदृढीकरण		१००,०००.००				
८६	१५	०५	भगिनी शहर सम्बन्धी कार्यक्रम	२८,१५३,९५५	१,५००,०००.००				२,८००,०००.००
८६	१५	१२	प्रबन्धनात्मक सामग्री / कार्यक्रम		१,०८०,०००.००				१,१००,०००.००
८६	१६	००	सभागृह तथा उद्यान व्यवस्थापन	१,६०७,६६३.१६	७,७२०,०००.००				२७,५५५,०००.००
८६	१६	०१	राष्ट्रिय सभागृह विकास	३९,४,९२३.००	८,५०,०००.००				१,४८०,०००.००
८६	१६	०२	शंखधरपार्क विकास		१,०००,०००.००				६,१००,०००.००
८६	१६	०३	रानी पोखरी विकास	१४८,६५९.४०	४,५००,०००.००				४,०००,०००.००
८६	१६	०४	बाइसधारा उद्यान विकास	१,०६४,०८०.७६	८७०,०००.००				१५,०७५,०००.००
८६	१६	०५	शंखपार्क विकास		५००,०००.००				९००,०००.००
८६	१७	००	बित्त अन्य कार्य	८८,८९०.००	१,१००,०००.००				३००,०००.००
८६	१७	०१	बृहत कम्प्युटर सफ्टवेयर निर्माण		६००,०००.००				
८६	१७	०२	वजेट सङ्कलन, मस्यौदा, पुस्तिका तयारी	८८,८९०.००	५००,०००.००				३००,०००.००
८६	१७	०४	विभागीय अन्य कार्य	३६०,७३२.७५					
८६	१८	०	दमकल सञ्चालन तथा व्यवस्थापन		५,०७५,०००.००				१०,९७५,०००.००
८६	१८	०१	अग्नि नियन्त्रण सामग्री		२,१००,०००.००				२,२२५,०००.००
८६	१८	०२	दमकल मर्मत सम्भार		१,५००,०००.००				१,३००,०००.००
८६	१८	०३	इन्धन, लुब्रिकेण्टस तथा अन्य		१००,०००.००				
८६	१८	०४	कर्मचारी तलब सुविधा		१,३७५,०००.००				६,५००,०००.००
८६	१८	०५	दमकल सञ्चालन व्यवस्थापन अन्य कार्य		१,३७५,०००.००				९५०,०००.००
८७	००	००	आयोजनाहरूको अन्य कार्य	८८,२५२,०८२.४८	११,५००,०००.००				२,५००,०००.००
८७	०१	००	धोबिखोला करिडोर सुधार आयोजना						
८७	०२	००	निर्देशित जग्गा विकास आयोजना						