

**CONTRIBUTION OF HOUSE AND LAND TAX TO
TOTAL MUNICIPAL REVENUE OF KATHMANDU
METROPOLITAN CITY**

A Thesis

By

SHARMISTA KARKI

Central Department of Management

Roll No.:318/14

T.U. Reg. No. 7-2-39-101-2006

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CERTIFICATION OF AUTHORSHIP

I certify that the work in this thesis entitled “**Contribution of House and Land Tax to Total Municipal Revenue of Kathmandu Metropolitan City**” has not previously been submitted for a degree nor has it been a part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis research has been written by me under the supervision of prof. Dr. Gopi Nath Regmi. In addition, I certify that all information sources and literatures used are indicated in the reference section of the thesis.

.....

Sharmista Karki

Date:

RECOMMENDATION LETTER

It is certified that thesis entitled “**Contribution of House and Land Tax to Total Municipal Revenue of Kathmandu Metropolitan City**”, submitted by **Sharmista Karki** is an original piece of research work carried out by the candidate under my supervision. Literary presentation is satisfactory and the thesis is in a form suitable for publication. Work evinces the capacity of the candidate for critical examination and independent judgment. The thesis is forwarded for examination.

.....

Prof. Dr. Gopi Nath Regmi

Thesis Supervisor
Central Department of Management
Tribhuvan University,
Kirtipur, Kathmandu, Nepal

Date:

APPROVAL SHEET

We, the undersigned, have examined the thesis entitled “**Contribution of House and Land Tax to Total Municipal Revenue Of Kathmandu Metropolitan city**” presented by **Sharmista Karki** a candidate for the degree of Master of Business Studies (MBS Semester) and conducted the viva-voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

.....
Prof. Dr. Gopi Nath Regmi
Thesis Supervisor

.....
Internal Examiner

.....
External Examiner

.....
Prof. Bhawani Shankar Acharya
Chairperson, Research Committee

.....
Prof. Dr. Bhoj Raj Aryal
Head of Department, Central Department of Management

Date:

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LIST OF ABBREVIATION

| | |
|------|---|
| AD | Anno Domini |
| CBS | Central Bureau of Statistics |
| VAT | Value Add Tax |
| VDC: | Village Development Committee |
| DDC | District Development Committee |
| KMC | Kathmandu Metropolitan City |
| GON | Government of Nepal |
| MLD | Ministry of Local Development |
| MOS | Ministry of Finance |
| SLG | Self-Local Government |
| LSMC | Lalitpur Sub Metropolitan City |
| FY | Fiscal Year |
| OSR | Own Source Revenue |
| MCPM | Minimum Conditions and Performance Measures |
| IPT | Integrated Property Tax |
| RCC | Road Concrete Cement |

ABSTRACT

Nepal is one of the least developed Countries. It is suffering from economic crisis. To increase the government revenue Nepalese government is trying to extract money or valuable contribution from people through taxation. Urban house and land (property) tax is the important resource of government revenue.

In Nepal, property tax was introduced by finance act, 1959 A.D. It was implemented under property tax Act in 1960 A.D. Due to ineffectiveness in collecting revenue. It was replaced by urban house and property tax later. Urban house and land tax was introduced in 1962 A.D. for the purpose of collecting revenue from urban house and land property. The interim government of 2047 B.S. again introduced property tax in 1990 A.D. by the finance act in beginning and by property tax act 1990. After the introduction of local self-government act in 1999, property tax is given to local bodies.

House and Land tax has been accepted as an important source of government revenue of Nepal. The growing need of resource for the development plans, to operate daily administration, to maintain peace and security and to launch other public welfare activities can be met through effective large volume of house and land tax. Through there are number of problems, the contribution of house and land tax is likely to be significant in the future

This study will suggested measures to improve the revenue collection system in Kathmandu Metropolitan City. It also helps tax administration to attract the tax payer. It will creates proud and ego for paying property tax towards the property holders (taxpayers), which helps tax administrator to collect revenue easily.