

# Land and Building Regulations:

## Zoning Regulations

In India, zoning regulations are developed by local authorities or municipal governments. The purpose of zoning is to divide a **municipality** into districts for residential, commercial, and industrial use. These districts are generally separate from one another, and the use of property within each district is relatively uniform.

- **Functional zoning.** The most prevalent form of zoning is where land use zones are defined according to their function, such as commercial, residential, or industrial. Each zone type is subject to specific rules and regulations concerning the type of activities built. The assumption is that urban functions should be allocated to specific areas to improve efficiency and mitigate externalities associated with incompatible land uses.
- **Form-based zoning.** Define zones according to their physical characteristics, mostly from an urban identity perspective, such as the downtown area. This form of zoning is usually easier to relate to the general population since it uses zonal definitions that are well known and help create an urban identity by underlining areas with unique characteristics.
- **Intensity zoning.** Defines land use zones by the permitted intensity level, such as the number of residential units per surface unit or allowed commercial surface. Such regulation enables a level of flexibility in urban development since it permits developers to select which development types take place as long as this development abides by density constraints. Density can also be set to minimum criteria to avoid a wasteful usage of real estate.
- **Incentive zoning.** Often part of revitalization or development plans where developers are allowed to build residential, commercial, or industrial (manufacturing, warehousing) projects in specific areas by providing various incentives such as tax abatement or basic infrastructure (road, utilities, public transport services). Further, developers can be granted lower restrictions, namely density limits, if amenities such as park areas and infrastructure are also developed.

## Types of Khatas:

An **A Khata** is a legal document that proves a property owner has paid all applicable property taxes to the BBMP and is the lawful owner of a legal property. It also means that the property complies with all government regulations and property-related construction regulations in Bangalore.

Property owners with an A Khata can apply for trade licenses, building permits, and loans on their property

A Khata is different from a title deed. The Khata is used for assessing the property tax, while the title deed is a written document signed between buyers and sellers

**B Khata** certificates are given to any property which does not fall under BBMP jurisdiction. Such properties are unauthorized but receive all the amenities provided by the civic agencies. B Khatas are not considered as valid Khata extracts and owners will not get the same benefits as A Khata properties

## How to apply for different Khatas?

- 1) To apply for a Khata certificate online, you can:
- 2) Visit the BBMP official website
- 3) Select your area and fill in the details
- 4) Upload the required documents
- 5) Pay the required fees
- 6) Track the status of your application
- 7) Receive the Khata certificate

## **Agriculture Land Regulations:**

In India, anyone can buy agricultural land, but the maximum amount of land that can be purchased is **59.95 acres**. However, the Karnataka Land Reforms Act of 2020 increased the limit from 10 to 20 units for individuals and families with four members. A unit is one acre of A-Class land with a specified soil classification value.

Non-agriculturists can only purchase agricultural land with prior permission from the District Collector. However, if a person owns agricultural land anywhere in India, the state considers them an agriculturist.

In Karnataka, the annual income limit for purchasing agricultural land is between Rs 2 lakhs and Rs 25 lakhs. Non-farmers must get permission from the Deputy Commissioner of Districts instead of the Assistant Commissioner to purchase agricultural land.

The Karnataka Land Revenue Act allows the construction of farmhouses on agricultural land, but the size of the farmhouse cannot exceed 10% of the landholding.

**Here are the documents needed to buy farmland in Karnataka:**

Title deed of land to confirm the name of the seller and his right to sell the property.

Agreement of sale including sale price, advance paid, and time of sale.

Proof of payment of stamp duty

Original title deed for land registration, previous deed, tax receipts, and land registration documents with two witnesses.

Sale agreement to ensure transfer of title of land from the seller to buyer

Certificate of burden (EC) from the Sub-Registrar's office or lease book to ensure that no legal obligations are due on the seller for the land.

## **Here are some building construction rules in Karnataka:**

### **Building setbacks**

**For buildings less than 10 meters, the front setback should be at least 3 meters. For buildings between 10 and 25 meters, the setback should increase by 1 meter for every 3 meters. For buildings between 25 and 30 meters, the setback should be at least 10 meters.**

### **Building plan approval**

**In Bengaluru, BBMP building plan approval is required for all developments over 2,400 square feet. In addition to BBMP approval, a Development Plan (DP) Approval is required from the BDA or BMRDA.**

### **FSI**

**In Bengaluru, the maximum FSI allowed for residential properties is 2.25, and for commercial properties, it is 3.**

### **Building height**

**According to Section 9(a) of the Aircraft Act of 1934, construction of any vertical structures is limited to a maximum height of 45 meters.**

## **Property tax Regulations:**

**1. Title and commencement.- (1) These rules may be called the Bruhat Bangalore Mahanagara**

**Palike Property Tax Rules, 2009.**

**(2) They shall come into force from the date of their publication in the official Gazette.**

**2. Definitions.- (1) In these rules, unless the context otherwise requires,-**

**(i) "Act" means the Karnataka Municipal Corporations Act, 1976 (Karnataka Act 14 of 1977);**

**(ii) „Alteration" means structural change or modifications resulting in additions or deletion to the**

**existing built up area;**

**(iii) „Block period" means block of three years for the purpose of revision of property tax.**

**(iv) Bruhat Bangalore Mahanagra Palike, means the Corporation of the city of Bangalore**

**established under the Karnataka Municipal Corporations Act, 1979.**

**(v) "Building" also includes towers and hoardings;**

**(vi) "Built up area" means total area covered by building or high rise buildings above the plinth**

**level, and including all covered area like basement, mezzanine flooring, balcony whether**

**covered or not; garage area, constructed boundary of swimming pool, fuel storage tanks**

**constructed underground or above the ground, storage of merchandise in open space like**

timber, granite, bricks etc, stilts meant for parking and telecommunication and other towers

and hoardings erected on the surface or top or any other open space of land or building but

does not include,-

(a) court yard at the ground level, garden, rocky area, well and well structures, plant, nursery

platform around a tree, overhead water tank, fountain, bench with open top and the like;

(b) drainage, culvert, conduit, catch-pit, gully pit, chamber gutter and the like;

(c) compound or boundary wall, chejja, uncovered staircase, watchman booth/pump house not

exceeding three-square meters and sump tank.

Explanation.- For the purpose of this clause: (a) Apartment or flat or commercial complex includes

common area and facilities shared by more than one owner or occupier and the words and

expressions used but not defined in these rules shall have the same meaning assigned to them in the

Karnataka Apartment Ownership Act, 1972 or the Karnataka Ownership Flat (Regulation of the

Promotion of Construction, Sale, Management and Transfer) Act, 1972 as the case may be;

(a) telecommunication towers include the area covered by the extremities of foundation multiplied

by the total height;

(b) hoarding, include the area covered by the hording or the size of the hoarding whether erected

on poles or fixed to wall surface or erected on top of the building or by erected by any other

means within the land or building;

(c) sports arena include all covered area meant for spectators gallery;

(d) „Balcony” means and includes a horizontal cantilever projection including a handrail or

balustrade, to serve as passage or sit out place;

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(e) „Mezzanine floor” means an intermediate floor between two floors with access from the lower

floor.

(vii) “Charge for parking” means where a charge or a fee is collected for surface parking slot by

the owner or an occupier of a non-residential building either by themselves or through an

agency;

(viii) „Commercial or non-residential building” means a building or part of a building, which is

used for commercial or non-residential purpose and include which are used for shops or

market, for display and sale of merchandise either wholesale or retail, for transaction of

business, for keeping of accounts, records, for providing professional or other service facilities,

corporate offices, software services, office of commercial undertakings and companies, petrol

bunk, restaurants, lodges, service apartments/homes, paying guest accommodation, hospital,

nursing homes, cinema theatres, banks, clubs/association/institutes and for other purposes

of non-residential natures. Storage and service facilities incidental to the sale of merchandise

and parking slots located in the same building or premises;

(ix) "Current year" means the year for which property tax is being paid.

(x) "Excess Vacant Land" means area of vacant land appurtenant to the building in excess of

three times the plinth area of the building by excluding the plinth area;

(xi) "Form" means forms appended to these rules;

(xii) "Hoarding" means boards or electronic devices used to display of advertisements erected on

poles or affixed on wall surface or by any other means on the land or on the building and

includes electronic and digital display hoarding;

(xiii) "Industrial Building" means a building used for industrial purpose;

(xiv) "Multiplex Cinema" means premises having more than two cinema screens.

(xv) "Parking area," means surface parking slots or parking slots under stilts meant for parking;

or any other area where parking slot is provided;

(xvi) "Parking slot" means an area in a covered or open space sufficient in size to park a vehicle;

(xvii) "Previous year" means the financial year immediately preceding the current year.

(xviii) "Residential building" means a building used or constructed or adopted to be used wholly for

human habitation and includes garages, and other out-houses necessary for the normal use of

the building as a residence.

(xix) "Return" means self assessment return form of the property tax to be filed by an assessee

declaring property particulars and payment of property tax thereon;

(xx) "Schedule" means Schedule appended to these rules;



(xxi) "Section" means section of the Act;

(xxii) "Star Hotel" means a hotel classified as such by the Ministry of Tourism, Government of

Karnataka or Government of India;

(xxiii) "Taxable Annual Value" means unit area value multiplied with the total built up area of a

building or total area of excess vacant land or both for ten months minus depreciation

specified in rule 6 depending on the age of the building;

(xxiv) "Towers" includes telecommunication tower erected for mobile telephone purposes;

(xxv) "Zone" means classification of different area or street into value zones.

(2) Words and expressions used in these rules but not defined herein shall have the same

meaning respectively assigned to them in the Act and byelaws;

3. Classification of Zones.- For the purpose of determination of unit area value of a property,

the Commissioner, Bruhat Bangalore Mahanagara Palike may,-

(i) classify both residential and non-residential property in different area or street in the Bruhat

Bangalore Mahanagara Palike area into as many zones as he deems fit and assign them as

Zone A, B etc.,. While doing so, the Commissioner shall, as far as it may be possible, group

streets/area/locality falling under each value zone together and publish:

Provided that if the name of any street/area/locality does not figure in the classification so

published, then the Commissioner shall classify and publish such street/area/locality as a

appropriate zone subsequently during the year. Until such time the tax thereof shall be calculated

based on the highest rates applicable to nearest neighboring /street/area/locality.

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(ii) suitably classify the hoardings

(iii) suitably classify the cinema theaters;

(iv) suitably classify the telecommunication tower;

(v) classify the specific class of residential or non-residential properties without reference

to any zones i.e irrespective of zonal classification; and

4. Categorization of use of building.- For the purpose of determination of unit area value, the

Commissioner may categorize the buildings used for residential purpose as Reinforced Concrete

Construction (RCC), tiled or sheet of any kind, houses allotted by the Government for the poor and

such other categorization as he deems fit. For commercial or non-residential building, the

Commissioner, may follow a different categorization based on the nature of commercial use of the

building or the quality and facilities offered therein.

5. Determination of taxable annual value.- The taxable annual value of a property shall be

determined by the assessee by multiplying the rate of the unit area value with built up area of such

building and excess vacant land, for ten months and deduct depreciation at the rate specified in rule 6

depending on the age of the building and shall also include composite tax if any, fixed for charged

surface parking slots or telecommunication tower and hoarding as the case may be.

**6. Allowance for depreciation.-** The depreciation to be allowed for a building shall be based on

the age of the building which shall be at such rate as specified in the Schedule to these rules:

Provided that no depreciation shall be calculated and allowed during the middle of the block

period:

Provided further that where there is any addition made to the existing building, within the

same block period, the rate of depreciation shall continue to be the same for that block period.

**7. Assessment of Excess vacant land.-** Assessment of excess vacant land liable to tax shall be

calculated on the land that is in excess of three times the plinth area of the building by excluding the

plinth area.

**8. Submission of self assessment return Forms.-** (1) Every owner or occupier who is liable to

pay property tax shall submit the following self assessment return forms to the Commissioner or the

officer authorized by him along with the property tax and penalty or interest payable, if any,

calculated by him,-

(a) for property that is assessed and assigned with Katha and Property Index number

(PID), the return shall be filed for the first year in a block period in Form I and for the

subsequent years within the same block period in Form IV;

**(b) for property that is assessed and not assigned with Property Index number (PID) but**

**possess Katha or a holder Katha and municipal number (in common parlance called**

**Katha) shall file return for the first year in a block period in Form II and for the**

**subsequent years within the same block period in Form IV;**

**(c) for property that are un-assessed and do not have municipal number (in common**

**parlance without Katha), the return shall be filed for the first year in a block period in**

**Form III and for the subsequent years during the same block year in Form V;**

**(d) for such building exempted under section 110 of the Act shall file a return in Form VI**

**for the first year in a block period and for the subsequent years in Form VII;**

**(2) Every owner or occupier may file revised return, if he so desires to effect corrections and**

**payment of taxes if any, in a new Form applicable to him, super-scribing on it as "Revised Return".**

**9. Mode of payment.- (1) Where the property tax payable is Rs.1000-00 and above, it shall be**

**paid only by cheque/demand draft/pay order drawn on any bank payable in Bangalore in favour of**

**the Commissioner, Bruhat Bangalore Mahanagara Palike or through electronic medium as may be**

**specified by the Commissioner.**

**(2) Where the total tax payable is less than Rs.1000-00, it shall be paid in cash at the office of the**

respective jurisdictional Assistant Revenue offices at the office or agency authorized by him in this behalf.

(3) The property tax paid in advance for the current year, if any, shall be deducted from the total

tax payable for the current year and the remaining amount of tax shall be paid while submitting the

returns. If the tax paid in advance is still in excess, it shall be deducted from the total tax payable in

the subsequent year.

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10. Levy of service charges for the buildings exempted from property tax.- Service charges for

providing civic amenities in respect of buildings exempted from property tax under section 110

excluding places of worship shall be charged at the rate of 25 percent of the property tax exempted

plus cess as applicable to such land or building or both:

Provided that subject to clause (b) of sub-section (1) of section 110, such exempted properties

that are let out for commercial purpose shall be charged at regular rates of property tax applicable for

that zone and category.

11. Property Register.- The property tax collected from the owner or occupier in respect of

property assessed to tax shall be maintained in Property Tax register in Form A and in respect of unassessed properties shall be maintained in a register in Form B.

12. Method of random scrutiny.- (1) Every returns filed by a owner or occupier shall be given a

continuous serial number in a chronological order by the computer and thereafter it shall be taken up

for random scrutiny on the basis of random computer generated numbers under supervision of an

officer authorized by the Commissioner.

(2) The cases selected for random scrutiny shall not exceed 10 percent of the returns filed in each

zonal office in each year within the block period. While selecting the returns for random scrutiny

within this percentage, the Commissioner may stagger the scrutiny spread over the financial year.

(3) Selection of cases for random scrutiny and detail inspection shall have the approval of the

Commissioner and be done in the following manner, namely:-

(a) The cases selected for random scrutiny and detail inspection shall be displayed on

notice boards of the respective Zones, sub-divisional offices and also posted in the

official website of the Bruhat Bangalore Mahanagara Palike.

(b) The Commissioner or his authorized officer concerned shall inform in writing to the

taxpayer the date and time set for scrutiny of the return filed and in respect of the

property, if necessary.

(c) Cases that have already been taken up for scrutiny shall not be taken for scrutiny

again within the same block period provided the taxpayer has not made further

changes to the property.

(d) Cases once selected for random scrutiny and detail inspection shall not be excluded

from inspection even if the tax payer files a revised return.

(e) All cases selected for random scrutiny shall be completed within the financial year,

failing which they shall lapse. However the lapsed cases may figure for the random

scrutiny for the next financial year in the manner specified in sub-rule (1).

(4) Cases taken up for random scrutiny and the details of its inspection shall be recorded in the

checklist in Form VIII.

(5) The cases taken up for random scrutiny shall be taken up for inspection and assessment by

an officer not below the rank of Assistant Revenue Officer.

(6) The Commissioner may also assign the cases for inspection to any officer other than

jurisdictional officers.

(7) The owner or the occupier of the property shall sign the checklist in Form VIII. If the owner or

occupier does not sign the checklist, the officer shall record as such and proceed with action

contemplated under Section 108A (13).

(8) After detail inspection, where discrepancy is noticed between the return filed and actual

nature of the property, resulting in short payment of tax, he shall issue a notice to the taxpayer giving

him an opportunity to file his objections. On receipt of the objections, if any, and after due

consideration the inspecting officer shall pass orders as he deems fit.

(9) All cases taken up for random scrutiny shall be maintained in a separate register in Form IX.