

## **Local chamber opposes tax hike by Bharatpur metropolis**

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Business community of Chitwan have protested rise in tax rates and other fees by Bharatpur Metropolitan City.

The tax rates levied by the metropolis is highest compared to four metropolitan cities of the country, local business leaders and industrialists say.

Chitwan Chamber of Commerce and Industry (CCCI), on Tuesday, submitted a memorandum to the Office of the Municipal Executive, Bharatpur Metropolitan Office, drawing the attention of the municipal officials toward tax rate hike.

“Hike in tax rates discourages business and economic activities in the metropolis,” Sahan Pradhan, president of CCCI, told Republica. “Tax rates of other four metropolitan cities - Birgunj, Biratnagar, Lalitpur and Pokhara-Lekhnath are more or less at the same level.

But the new tax rates introduced recently by Bharatpur Municipality are much higher.” Bharatpur Metropolitan City introduced the new tax rates by endorsing the Financial Act from the Municipal Executive meeting in January. Tax rates have been hiked by up to 20 times.

CCCI has also submitted comparative tax rates of all five metropolitan cities to the Office of the Municipal Executive, Bharatpur Metropolitan Office.

Renu Dahal is the Mayor of Bharatpur Metropolitan City.

Office of the Municipal Executive, Bharatpur Metropolitan Office, has increased registration fee for applications from Rs 10 to Rs 25, while fee for getting relationship certificate has been increased to Rs 100 from existing Rs 25.

Similarly, fee for registration of gold and silver shops has been increased to Rs 25,000 (for A category) and Rs 15,000 (for B category) from the Rs 1,008. The business tax for running a restaurant and hotel has been increased from Rs 1,500 to Rs 125,000. Earlier, such rates were in range of Rs 500 to Rs 12,000 only.

Likewise, the metropolis has also hiked the fees for services like getting certificates of family details, certifying birth dates, issuing character certificates, fee for connection of drinking water

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lines, and ownership transfer. Fee for all of these services has been increased to Rs 575 from Rs 190.

This is the first time that local bodies have endorsed their own laws and set the fees. Bharatpur Metropolitan City has defended the decision to hike tax rates, stating that the metropolis needs for resources to 'strengthen its financial status'.

CCCI have also said that the Act has no clarity on segregating villages and towns in respect to levying taxes.

Meanwhile, officials of metropolis manhandled journalists, who had reached the Bharatpur Metropolitan City Office, to cover the memorandum handover program.

Source : My Republica, 28<sup>th</sup> March 2018