

Planning Authority (Levy of Development Charges) Rules, 1975

[G.O.Ms.No.2039, R.D & L.A., DATED THE 20TH DECEMBER 1977]

No.SRO A-16/78.— In exercise of the powers conferred by clauses (o) and (p) of sub-section (2) of section 122 read with clauses (a) and (b) of sub-section (2) of section 60 of the Tamil Nadu Town and Country Planning Act, 1971 (Tamil Nadu Act 35 of 1972), The Governor of Tamil Nadu hereby makes the following rules:-

RULES

1. **Short title.**— These rules may be called the Planning Authority (Levy of Development Charges) Rules, 1975.
2. **Definitions.**— In these rules, unless the context otherwise requires –
 - (a) “Act” means the Tamil Nadu Town and Country Planning Act, 1971 (Tamil Nadu Act 35 of 1972);
 - (b) “Authority “ means the appropriate Planning Authority including a local authority where such local authority is also the planning authority;
 - (c) “Concerned Town Planning Officer” means any person nominated by the Authority for the purpose of section 61 and rule 8;
 - (d) „institution of use“ means putting any land or building, as the case may be, to any use;
 - (e) “miscellaneous use” shall include all uses other than –
 - (a) industrial;
 - (b) commercial
 - (c) residential;
 - (d) agricultural use; and
 - (f) Section means a section of the Act.
3. **Assessment of development charges.**— Development charges shall be assessed and levied separately on the institution of use and change of use of land or building, or development of any land or building.
4. **Development charges for lands.**— (1) All unused vacant lands shall be deemed to be lands used for agriculture or gardening or forestry for purposes of assessment and levy of development charges.
 - (2) When any land appurtenant to an existing use, whether commercial, industrial, residential, agricultural or miscellaneous, is to be sub-divided, and or, developed for any use, it shall be deemed to be institution of use for the purposes of assessment and levy of development charges.
 - (3) Development charges shall be payable for the institution of use, first change of use and also for subsequent changes of use of land.
5. **The rate of development charges for the institution of use for residential purpose.**— (1) The rate of development charges for the institution of use for

residential purposes or first change of use from agricultural or present use to residential use shall be as determined by the Authority not being less than Rs.2,000 per hectare and not more than Rs.10,000 per hectare. The rate so determined shall be termed “Residential rate (land)”:

Provided that the authority shall take into account the land value generally obtaining in the local area before arriving at the residential rate (land) for such area.

(2) The rates of development charges for other uses shall be regulated in the following manner:-

Category of use (1)	Rate of development charges (2)
Institution or first change of use from agriculture or present use to – Industrial Commercial	1 ½ times residential rate (land) 2 times residential rate (land) 2/3 of residential rate (land)

(3) The rates of development charges for the second and subsequent changes in use of land shall be regulated in the following manner:-

Category of use (1)	Rate of development charges (2)
(A)Change from - Residential to Industrial Residential to Commercial	½ residential rate (land) Residential rate (land)
(B)Change from - Industrial to commercial or commercial to industrial	½ residential rate (land)
(C)Change from - Miscellaneous to residential Miscellaneous to industrial Miscellaneous to commercial	½ residential rate (land) Residential rate (land) 1 ½ times residential rate (land)
(D) All other change of use	1/10 residential rate (land)

6. Mode of application for permission.– Any person who intends to carry out any development, or institute or change any use of any land or building, for which permission is required under this Act, shall apply to the Authority in Form 1 for the assessment of development charges payable in respect thereof before 30 days of commencement of the proposed development or change of use of any land or building.

7. Determination of development charges.– The Authority shall, on such application being made or if no such application is made, after serving a notice

in writing on the person liable to such payment and after calling for a report in this behalf from the concerned Town Planning Officer, determine whether or not, and if so, what development charge is leviable in respect of the development or institution of use or change of use of land or building and issue a provisional notice

of demand for the payment of development charge to the owner or occupier in Form 2.

8. Final assessment of development charges.— The authority after, taking into consideration the objections, if any, filed by such person in respect of the provisional notice served, shall finally assess the amount of development charges payable by such person and issue a notice in writing of such assessment in Form 3.

9. Payment of development charges.— Such person on receipt of the final assessment order under rule 9 shall be liable to pay to the Authority, the development charges assessed within thirty days from the date of communication of the assessment order.

10. Exemptions.— Notwithstanding anything contained in these rules, the Government may, for sufficient reasons, exempt any class of land or building, from the operation of these rules.

