

Bangalore Property Tax Overview (8 wards)

- Project report on select 8 wards up to assessment year 2016-2017
- Highlighting pending tax payments and suspicious historical transactions

May 15, 2017

Agenda

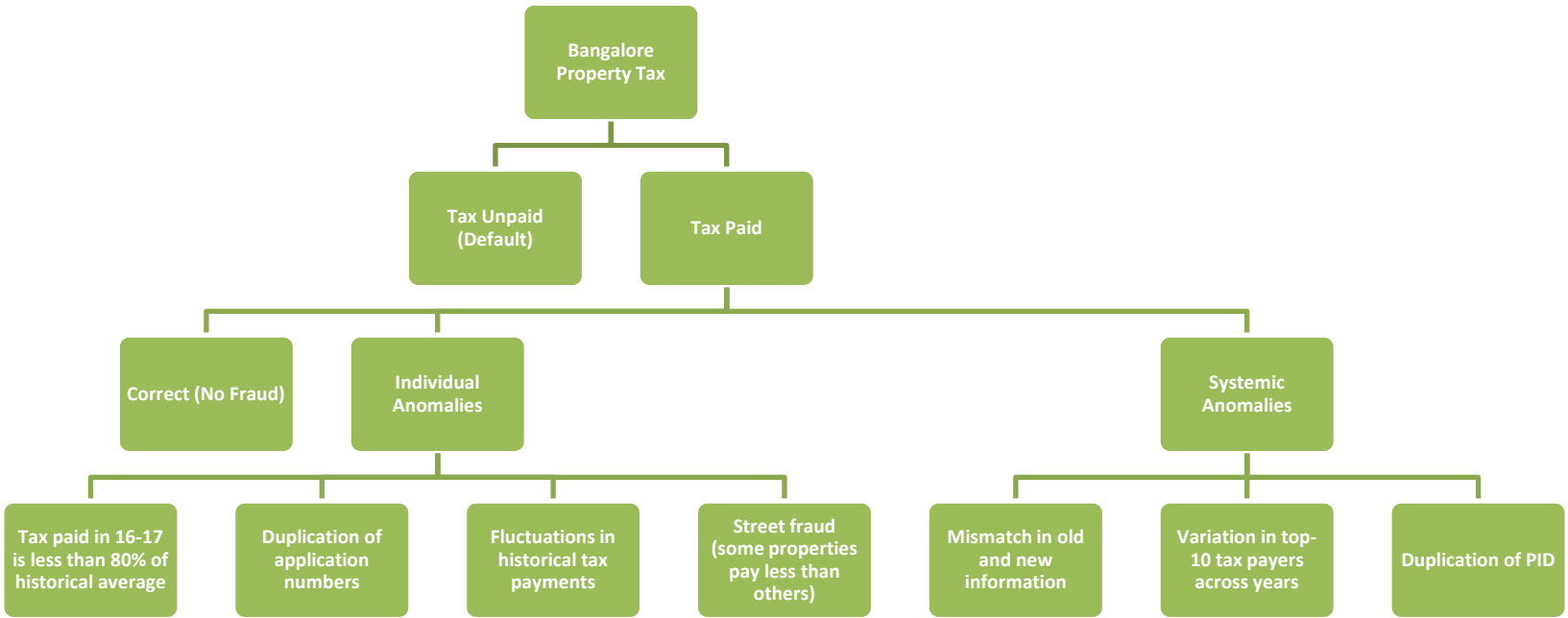
- Executive summary
- Overview of project scope
- Details of tax defaulted
- Details of individual tax anomalies
- Details of system anomalies
- Appendix
 - Assumptions
 - List of relevant tables

Executive summary

- Overall tax defaulted in Bangalore is **₹1,417 Cr.**
- For only the 8 wards in consideration, tax defaulted is **₹97 Cr.**
- Potential opportunity from addressing fraudulent transaction is **₹3,671 Cr.**
 - Street fraud: **₹3,175 Cr.**
 - Fluctuations in historical tax payment: **₹212 Cr.**
 - Mismatch in top-10 tax payer information: **₹145 Cr.**
 - Duplication in application numbers: **₹115 Cr.**
 - Mismatch in old and new information: **₹22Cr.**
 - Tax paid in 2016-2017 less than historical average: **₹2 Cr.**
- Incorrect documentation of property information (duplication of owner information) for **19,156** properties leading to **16,67,341** records

Note: figures above are based on data up to the assessment year 2016-2017

The primary intent of this project is to identify potential opportunities for additional tax collection





Total tax of ₹97 Cr. (₹965 million) is to be collected from property owners, under the existing terms

Ward ID Ward No	Ward Name	# Properties Defaulted	Pending Tax from the last 3 terms			Total Tax Defaulted
			2013-2014	2014-2015	2015-2016	
56 111	Shantala Nagar	2,831	36,434,697	32,753,490	42,971,179	583,862,380
16 193	Arakere	6,156	9,671,560	23,733,253	14,776,965	110,411,947
80 083	Kadugodi	6,344	5,874,203	5,575,301	9,626,238	108,589,030
113 176	BTM Layout	1,893	4,152,445	3,725,952	8,377,581	60,915,064
192 009	Vidyaranyapura	4,740	4,013,366	4,361,534	6,598,330	46,194,829
33 019	Sanjay Nagar	1,802	2,606,340	2,048,562	3,904,324	34,116,815
184 100	Basaveshwar Nagar	614	1,139,664	1,115,200	2,503,973	10,733,923
90 037	Yeshwantpura	1,118	1,111,936	1,440,985	1,491,491	10,486,928
Total:		25,498	65,004,212	74,754,277	90,250,083	965,310,915



Ind-01: Tax paid in 16-17 is less than 80% of historical average

Ward ID Ward No	Ward Name	Max. No. Properties	Potential Additional Tax Payment			
			< 80% hist. avg.	< 70% hist. avg.	< 60% hist. avg.	< 50% hist. avg.
56 111	Shantala Nagar	821	22,202,582	15,851,689	11,689,833	7,830,283
192 009	Vidyaranyapura	921	5,208,262	4,844,228	4,572,744	4,413,324
80 083	Kadugodi	847	3,591,205	3,057,971	2,732,642	2,524,549
16 193	Arakere	891	1,972,949	1,489,775	943,052	699,787
113 176	BTM Layout	379	1,908,938	1,527,426	1,159,250	957,113
33 019	Sanjay Nagar	331	979,652	688,703	474,875	298,056
184 100	Basaveshwar Nagar	196	812,067	563,259	412,271	300,647
90 037	Yeshwantpura	242	542,778	397,550	351,547	215,045
Total:		4,628	37,218,434	28,420,601	22,336,215	17,238,804



Ind-02: Duplication of application numbers

(multiple records within a given year)

Ward ID Ward No	Ward Name	No. Duplicate App. Nos.	No. Properties with Duplicates	Duplication Amount
56 111	Shantala Nagar	3,729	7,991	488,589,779
192 009	Vidyaranyapura	4,539	9,746	220,426,128
113 176	BTM Layout	2,772	6,023	114,026,196
16 193	Arakere	3,993	8,633	105,974,269
33 019	Sanjay Nagar	1,958	4,220	85,074,979
80 083	Kadugodi	1,982	4,307	57,107,817
184 100	Basaveshwar Nagar	1,238	2,683	51,108,773
90 037	Yeshwantpura	1,306	2,790	29,354,755
Total:		21,517	46,393	1,151,662,697



Ind-03: Fluctuations in historical tax payments (COV > 50%)

Ward ID Ward No	Ward Name	No. Properties (COV > 50%)	Actual Total Tax Paid	Ideal Total Tax to be Paid	Potential Opportunity
56 111	Shantala Nagar	642	859,872,581	1,666,871,282	806,998,701
192 009	Vidyaranyapura	2,187	135,871,122	468,794,205	332,923,083
16 193	Arakere	1,950	180,190,802	441,201,633	261,010,831
33 019	Sanjay Nagar	496	440,412,182	697,701,671	257,289,489
80 083	Kadugodi	1,289	101,348,292	330,175,005	228,826,713
113 176	BTM Layout	798	130,838,580	297,931,557	167,092,977
184 100	Basaveshwar Nagar	305	27,845,398	64,598,393	36,752,995
90 037	Yeshwantpura	475	23,774,350	52,119,546	28,345,196
Total:		8,142	1,900,153,307	4,019,393,291	2,119,239,984



Ind-04: Street fraud (some properties pay less than others even though on the same street)

Ward ID Ward No	Ward Name	Total No. of Properties	Actual Total Tax Paid	Ideal Total Tax to be Paid	Potential Opportunity
56 111	Shantala Nagar	4,681	483,200,804	26,430,962,953	25,947,762,149
33 019	Sanjay Nagar	875	30,765,769	1,507,231,505	1,476,465,736
80 083	Kadugodi	1,840	21,007,710	1,497,146,634	1,476,138,924
113 176	BTM Layout	1,734	46,741,125	1,210,226,311	1,163,485,186
16 193	Arakere	1,243	39,061,698	1,189,305,099	1,150,243,401
192 009	Vidyaranyapura	2,099	19,905,755	425,232,230	405,326,475
184 100	Basaveshwar Nagar	687	13,329,520	84,808,713	71,479,193
90 037	Yeshwantpura	843	6,874,835	68,216,276	61,341,441
Total:		14,002	660,887,216	32,413,129,721	31,752,242,505



Sys-01: Mismatch in old and new information

Ward ID Ward No	Ward Name	No. Properties with Mismatch	No. Application with Mismatch	Total Mismatch Amount (Abs)	Abs Amount (NEW > OLD)	Abs Amount (OLD > NEW)
56 111	Shantala Nagar	1,327	1,768	164,025,825	163,086,170	939,655
16 193	Arakere	1,042	1,148	18,069,927	17,560,824	509,103
113 176	BTM Layout	883	1,026	16,519,325	14,749,119	1,770,206
192 009	Vidyaranyapura	1,000	1,137	6,702,256	5,929,922	772,334
33 019	Sanjay Nagar	520	592	3,758,883	3,335,773	423,110
80 083	Kadugodi	320	349	3,685,519	3,212,521	472,998
184 100	Basaveshwar Nagar	223	234	3,556,337	3,461,015	95,322
90 037	Yeshwantpura	273	320	2,299,358	2,163,576	135,782
Total:		5,588	6,574	218,617,430	213,498,920	5,118,510



Sys-02: Variation in top-10 tax payers across years

Ward ID Ward No	Ward Name	No. Properties in Top-10 List	Actual Total Tax Paid	Ideal Total Tax to be Paid	Potential Opportunity
56 111	Shantala Nagar	25	1,258,287,124	1,894,746,982	667,770,096
192 009	Vidyaranyapura	32	62,047,589	263,617,891	201,993,273
80 083	Kadugodi	21	155,489,503	320,816,520	169,657,054
16 193	Arakere	23	232,204,228	394,874,388	163,248,879
33 019	Sanjay Nagar	23	426,014,659	584,741,837	159,252,691
113 176	BTM Layout	26	171,914,054	248,047,934	76,593,316
184 100	Basaveshwar Nagar	25	38,912,412	51,402,521	12,607,921
90 037	Yeshwantpura	18	17,613,872	20,688,012	3,340,497
Total:		193	2,362,483,441	3,778,936,085	1,454,463,728



Sys-01: Duplication of PID (*multiple records / properties for one PID*)

Ward ID Ward No	Ward Name	No. Duplicate SAS IDs	No. Duplicate Records
56 111	Shantala Nagar	6,316	169,840
80 083	Kadugodi	3,949	9,469
192 009	Vidyaranyapura	3,470	420,214
16 193	Arakere	2,347	451,812
113 176	BTM Layout	1,772	3,742
33 019	Sanjay Nagar	828	306,468
90 037	Yeshwantpura	366	414
184 100	Basaveshwar Nagar	108	305,382
Total:		19,156	1,667,341

APPENDIX

Thank You