

5 Maharashtra cities replace Octroi with local body tax

The Maharashtra government has formally abolished Octroi in Thane, Navi Mumbai, Nagpur, Pune and Pimpri-Chinchwad municipal corporations from today, replacing it with Local Body Tax (LBT).

The government also announced that LBT would be introduced in Mumbai's civic body, where the annual Octroi duty collection is about Rs 7,000 crore, from October 1.

LBT has already been introduced in 20 out of Maharashtra's 26 civic bodies. The state government hopes the LBT regime would bring transparency in tax collection and curb corruption.

Of the 26 municipal corporations, 19 fall in Category-D while Greater Mumbai Municipal Corporation is the lone civic body that comes under Category-A. Pune and Nagpur bodies are Category-B, while Thane, Navi Mumbai and Nashik are in Category-C.

Meanwhile, Federation of Maharashtra (FAM), a representative body of traders, had given a call for bandh to protest against the introduction of LBT. In a press release, FAM said all the major markets remained closed today to protest against the imposition of LBT. Markets remained closed in Mumbai, Navi Mumbai, Thane, Kalyan and surrounding areas.

(Business Standard)