



Dr. Debolina Kundu, Associate Professor, NIUA and Dr. Debjani Ghosh, Senior Research Officer, NIUA have written a paper on *'Innovations in Property Taxation System in India'* under the theme of *'Financing Affordable Housing and Infrastructure in Cities: Towards Innovative Land and Property Taxation System'*, for the Global Land Tool Network (GLTN) and UNHABITAT (Poland) Central, Eastern and South-Eastern Europe Regional Conference in Warsaw on October 15-16 2009.

GLTN and UNHABITAT invited Dr. Kundu to present the paper at Warsaw. The paper highlighted the importance of property tax as a source of local revenue but added that it is often underutilized as a source for financing local expenditures, especially housing for the poor.

The paper brought out that in India, many local governments have initiated administrative and valuation reforms to improve collections from property taxes and added that although the present reform measures are a good step towards improving the performance of the property tax collection, structural issues such as improved valuation, increasing buoyancy of the tax and tax payer's confidence need to be addressed to make these reforms sustainable and replicable.

The paper strongly recommends a change in the assessment system of taxation with an inbuilt system of automatic revision as has happened in Bangalore. Such a system would be sustainable once it is linked with simultaneous administrative reforms. Also, pro-poor budgeting should be introduced given the magnitude of housing shortage for the poor in the country.