

LSP opposes BEST's proposal to levy transport cess on property tax

Written by Maharashtra Administrator
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Mumbai, Sunday January 4: The Loksatta Party has strongly opposed the BEST's proposal to introduce a cess on property tax to recover the losses its transport division makes as it will not be able to subsidize its bus service by levying a surcharge on power consumers after March 31, 2016.

The property tax cess of up to 8 per cent will be an added burden on taxpayers, and particularly unfair on those who do not even use BEST's services, Maharashtra LSP general secretary Rajeev D Pai said.

According to the proposal, everybody within BMC limits will have to pay the cess. At a meeting held recently, BEST general manager Om Prakash Gupta said sections 139A and 140 of the Maharashtra Municipal Corporations Act would need to be amended for this purpose. "The amendment will help us introduce the cess as part of property tax and levy it on all land and building users," he was reported to have said.

Pai said the Loksatta Party firmly believes that the user of a service alone must bear its cost and others, who are in no way concerned with it, must not be forced to share the burden. Cross subsidy is bad in practice as it creates inefficiency and leakages. Air-India is a classic example where tons of productive public funds have been going down the drain over the years with no end in sight.

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Pai said the undertaking must think seriously of cutting costs. There is no reason for a 21st century city transport service to continue with manual ticketing, he said. Moreover, BEST is sitting on prime plots in the city in the form of bus depots which can be exploited commercially without having to give them up.

Pai added that there should be one single transport authority for Mumbai covering local trains, metros, mono rails, buses and water transport to optimise costs. Mumbai transportation needs big ideas and no amount of half-baked solutions will provide lasting relief to the citizen. In the absence of a true city government led by a directly elected, fully empowered mayor, he called upon Maharashtra CM Devendra Fadnavis to show leadership in the matter.