

Revision of Greater Chennai Corporation Professional Tax Rates

- ❖ **Country:** India
- ❖ **City:** Chennai
- ❖ **Compliance category:** Corporation Professional Tax

Regulatory Information:

- ❖ **Regulation:** TNULB Act 1998, Amended 2022
- ❖ **Notification/Circular no:** R.D.(HQ).C.No.PT/SPL/2024
- ❖ **Notification date:** January 20, 2025
- ❖ **Source:** https://akriviain-my.sharepoint.com/personal/sreenivasreddyj_akriviahcm_com/layouts/15/onedrive.aspx?id=%2Fpersonal%2Fsreenivasreddyj%5Fakriviahcm%5Fcom%2FDocuments%2FMicrosoft%20Teams%20Chat%20Files%2FPT%2DRevised%5FSlab%2DRates%5FChennai%5F2025%2Epdf&parent=%2Fpersonal%2Fsreenivasreddyj%5Fakriviahcm%5Fcom%2FDocuments%2FMicrosoft%20Teams%20Chat%20Files&ga=1

Updates in Compliance:

Summary: The Greater Chennai Corporation (GCC) has updated the professional tax (PT) rates, effective for the second half of the Financial Year 2024-25.

Effective date: October 1, 2024

Revised professional tax slab rates:

Half-yearly Income Slabs (in INR)	Old PT Rate (in INR)	New PT Rate (in INR)
Up to 21,000	Nil	Nil
21,001 to 30,000	135	180
30,001 to 45,000	315	425
45,001 to 60,000	690	930
60,001 to 75,000	1,025	1,025
Above 75,000	1,250	1,250

Our Analysis:

GCC has raised the rates significantly up to 35% as compared to the previous rates for employees receiving salary between INR 21,000 to INR 60,000 while the rates for employees getting higher salary are still the same. This will result in a significant jump in the cost for the employers as well for employees in this salary range.

In the long term, this revision aims to strengthen the city's financial position, enabling it to better support the needs of its workforce.