SUCCESS STORY

Property Registration and Awareness Campaign: Chaghcharan Citizens Dash to the Municipality to Pay their Taxes

Chaghcharan citizens welcome BPR surveyors to their houses

Photo : RAMP UP West

RU-W helps Chaghcharan revenue staff enter BPR information into a new computerized database

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— Qadir, Chaghcharan Revenue Collection Officer

In May 2013, Chaghcharan collected more Safayi (property tax) than at any other time in its history. In the months of April and May 2013 alone, Safayi revenues increased 1,150% compared to the whole of 2012.

Prior to 2012, Chaghcharan lacked a property registration system. Municipal staff visited properties infrequently and they failed to update their Safayi rate and regulations for many years. So they asked citizens to pay a uniform Safayi charge (100 AFA) regardless of house size and/or value. As a result, Safayi collections remained low and the municipality lacked the budget to provide better services.

In July 2012, Chaghcharan, supported by USAID's Regional Afghan Municipality Program for Urban Population (RU-W), started surveying and registering all 4,137 residential properties in the municipality. They completed this activity in March 2013. Chaghcharan developed new Safayi rates and regulations to account for updated information on property size, location, and condition. RU-W helped municipal staff develop new Safayi tax books for property owners using the updated property data.

In April and May 2013, RU-W provided additional support through a Safayi Collection Awareness campaign. Municipal staff with RU-W help went 'door-to-door' talking to citizens in their homes, informing them about the new tax bill information, the Safayi regulations, and encouraging them to pay their Safayi.

Property owners started coming to the municipality to get their Safayi tax book and pay their annual tax. Revenue Collection Officer Qadir observed the difference saying, "Normally we have one visitor each day to pay tax but now 30-40 come to the Revenue Department every day." He noted that previously most properties in the city were not registered and those people with registered properties paid very low rates.

"I was doubtful that this [property registration and awareness campaign] would work" said Mr. Mohammad Hussain (Chaghcharan Revenue Manager) looking at the people filing into the municipality to pay their taxes. "Previously we sent municipal staff door-to-door to push people to pay the small fixed amount and they never paid. But after the property registration and the awareness campaign, 14% of municipal residents paid their taxes in just two months even though the tax rate increased."

Seeing the results with their own eyes, Chaghcharan hired three more revenue staff to collect Safayi in the future without RU-W support. Revenue staff encouraged the municipality to conduct the awareness campaign regularly. With all properties registered, transparent rules in place, and citizens informed on the regulations, the municipality collects the Safayi tax with ease and property owners now know how much they should pay and receive a receipt. This helps the municipality increase revenues, plan properly, and better serve its citizens.