



The Maharashtra Tax on Building (with Larger Residential Premises) (Re-Enacted) Act, 1979

Act 29 of 1979

Keyword(s):

Assessee, Assessing Authority, Collecting Authority, Corporation Area, Floorage, Municipal Corporation, Occupier, Owner, Retable Value, Relevant Municipal Law, Residential Premises, Tax, Taxable Premises

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**THE MAHARASHTRA TAX ON BUILDINGS (WITH LARGER RESIDENTIAL PREMISES) (RE-ENACTED) ACT, 1979**

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MAHARASHTRA ACT No. XXIX OF 1979.<sup>1</sup>

[THE MAHARASHTRA TAX ON BUILDINGS (WITH LARGER RESIDENTIAL PREMISES)  
(RE-ENACTED) ACT, 1979]

[12th September 1979]

(Assented to by the Governor)

**An Act to provide for levy of tax on buildings in Corporation areas in the State of Maharashtra, which contain larger residential premises.**

**Mah. XIX** WHEREAS the Maharashtra Tax on Residential Premises Act, 1974, provided for the levy of tax on residential premises in Corporation areas, the floorage of which exceeds 125 square metres in Greater Bombay and 150 square metres in other Corporation areas ;

AND WHEREAS the High Court of Bombay, in Miscellaneous Petition No. 214 of 1978, *Rajab Mahal Co-operative Housing Society Ltd. versus the State of Maharashtra and others*, and in other petitions, decided on the 29th November and the 1st December 1978, held that this Act providing for uniform rate of tax for premises wherever situated in any Corporation area offends article 14 of the Constitution of India and is, therefore, null and void ;

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<sup>1</sup> For Statement of Objects and Reasons, see *Maharashtra Government Gazette* 1979, Part V, pp. 302-303.

AND WHEREAS some of the objects of such tax are that there should be a check on extravagant use of available living space, more residential accommodation, of which there is an acute scarcity, may become available in thickly populated cities, and buildings which would come up after imposition of such tax might not contain any, or might contain less number of, larger residential flats or premises ;

AND WHEREAS this tax on buildings is a source of revenue to the State Government and lakhs of rupees have been collected and may have to be refunded, and this source and the consequent benefit of regulating the use of living space would not be available in future ;

AND WHEREAS it is expedient to maintain continuity, and for that purpose, to enact a new Act, in place of the Act struck down, which would be free from the defects pointed out by the High Court and those noticed in the administration of that Act, and to levy and collect a tax on buildings or parts thereof in Corporation areas, which contain larger residential premises, on the basis of floorage and rateable value, with retrospective effect from the 1st April 1974, i.e. the date from which the tax under the Maharashtra Tax on Residential Premises Act, 1974 was levied and collected, and to make certain incidental and consequential provisions ; It is hereby enacted in the Thirtieth Year of the Republic of India as follows :—

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Short title  
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1. (1) This Act may be called the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) Act, 1979.

(2) It shall be deemed to have come into force on the 29th April 1974.

Definitions.

2. In this Act, unless the context otherwise requires,—

(a) "appellate authority" means an appellate authority appointed under section 11 ;

(b) "appointed day" means the date of publication of this Act in the Official Gazette ;

(c) "assessee" means a person by whom tax or any other sum of money is payable under this Act, and includes every person in respect of whom any proceeding under this Act has been taken for the assessment of tax payable by him ;

(d) "assessing authority" means an officer appointed under section 7 ;

(e) "building" includes a house, outhouse, or any other similar structure, whether of masonry, cement or bricks, or other like material, but does not include a garage or quarters intended for the use of servants and used as such by them ;

(f) "collecting authority" means the authority empowered to collect tax under section 12 ;

(g) "Corporation area" means an area within the limits of a municipal corporation constituted under the relevant municipal law ;

(h) "floorage", when used with reference to any residential premises in a building, means the total floor area of the premises, excluding the thickness of walls ;

(i) "municipal corporation" means a municipal corporation constituted under the relevant municipal law ;

(j) "occupier" includes,—

(i) any person who for the time being is paying or is liable to pay to the owner the rent or any portion of the rent of the residential premises in respect of which such rent is paid or is payable ;

(ii) an owner living in or otherwise using his residential premises ;

(iii) a rent-free tenant ;

(iv) a licensee in occupation of any residential premises ; and

(v) any person who is liable to pay to the owner damages for the use and occupation of any residential premises ;

(k) "owner", when used with reference to any residential premises in a building, means the person who receives the rent of the said premises or who would be entitled to receive the rent thereof if the premises were let and includes—

(i) an agent or trustee who receives such rent on account of the owner,

(ii) a receiver, sequestrator or manager appointed by any Court of competent jurisdiction to have the charge of, or to exercise the rights of an owner of, the said premises, and

(iii) a mortgagee-in-possession;

(l) "prescribed" means prescribed by rules made under this Act;

(m) "rateable value" means the rateable value, annual value or annual letting value of a building or part thereof, as fixed or determined in accordance with the provisions of the relevant municipal law;

(n) "relevant municipal law" means—

(i) in relation to Greater Bombay, the Bombay Municipal Corporation Act,

(ii) in relation to the cities of Pune, Solapur and Kolhapur, the Bombay Provincial Municipal Corporations Act, 1949,

(iii) in relation to the city of Nagpur, the City of Nagpur Corporation Act, 1948;

(o) "residential premises" means any building or part thereof used, or intended for independent use, for residential purposes;

(p) "Schedule" means the Schedule appended to this Act;

(q) "tax" means the tax levied under this Act;

(r) "taxable premises" means residential premises in a building in respect of which tax is leviable under this Act;

(s) "year" means a financial year.

#### LEVY AND ASSESSMENT OF TAX

3. (1) Notwithstanding any judgement, decree or order of any Court, subject to the provisions of this Act, there shall be levied and collected for every year commencing on the 1st April 1974, a tax on all buildings or parts thereof situated in Corporation areas, containing any residential premises :—

Levy and collection of tax on certain buildings.

(a) if, situated in Greater Bombay area, the floorage of such premises is more than 125 square metres and the rateable value thereof is more than rupees one thousand and five hundred;

(b) if, situated in other Corporation area, the floorage of such premises is more than 150 square metres and the rateable value thereof is more than rupees one thousand and five hundred.

(2) No tax shall be leviable in respect of any residential premises, if situated in Greater Bombay, where the floorage is 125 square metres or less or the rateable value thereof is rupees one thousand and five hundred or less, and, if situated in any other Corporation area, where the floorage is 150 square metres or less or the rateable value thereof is rupees one thousand and five hundred or less.

(3) The tax shall be levied and collected in respect of taxable residential premises, on the basis of the rateable value, at the rates set out in column 2 of the Schedule, in the areas set out in column 1 thereof.

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**Primary responsibility for tax.** 4. (1) If the actual occupier of any residential premises in any building, in respect of which tax is leviable under section 3, is the owner of the building, the tax shall be leviable on the actual occupier.

(2) In any other case, the tax shall be leviable primarily as follows, that is to say:—

- (a) if the premises are let, from the lessor;
- (b) if the premises are sub-let, from the superior lessor.

**Person liable to pay tax under the Act entitled to recover amount of tax from occupier of premises.** 5. (1) If any person, from whom under the provisions of section 4 the tax is leviable, pays the tax in respect of any residential premises in a building, he shall, if he is not himself in occupation thereof during the period for which he has paid the tax, be entitled to receive the amount of the tax from the person in actual occupation of such premises for the period aforesaid.

(2) The recovery of any amount of the tax from an occupier under this section shall not be deemed to be an increase for the purpose of section 7 of the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, or any law corresponding thereto in force in any part of the State.

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**Rights and remedies for recovery of amount under section 5.** 6. Any person entitled to receive any amount under section 5 shall have for the recovery thereof the same rights and remedies, as if such amount were rent payable to him by the person from whom he is entitled to receive the same.

**Appointment of assessing authorities.** 7. For the purpose of assessing the tax, the Municipal Commissioner concerned may, by an order in writing, appoint such of the officers of the Corporation as he thinks fit, to be assessing authorities, and shall define the limits of their jurisdiction.

**Preparation and maintenance of list of taxable premises in buildings.** 8. (1) Within three months from the date of its appointment or such longer period as the Municipal Commissioner may specify in any case or class of cases, every assessing authority shall cause a list of all buildings containing taxable premises and indicating the taxable premises therein and the proportionate rateable value thereof, to be prepared and published in such manner as may be prescribed. For this purpose, the assessing authority may inspect any buildings or premises or make such enquiries as it thinks fit.

(2) The list of taxable premises shall be maintained up-to-date by the assessing authority by inserting, deleting or altering any entry in the list, whenever such insertion, deletion or alteration is found to be necessary in consequence of any premises being constructed, altered, added to, or being reconstructed, in whole or in part, or on account of any erroneous omission or insertion of entry made through fraud, accident or mistake.

(3) For the purpose of enabling the assessing authority to prepare and publish a list of taxable premises under sub-section (1), the owner of every taxable premises shall, within two months from the appointed day or such longer period as the State Government may, either *suo motu* or on an application of a municipal corporation, by notification in the *Official Gazette*, specify in that behalf, furnish to the assessing authority a return containing the following particulars, namely:—

- (i) the locality and the building in which the taxable premises is situated;
- (ii) the floorage of the premises;
- (iii) the rent for which the premises are let or reasonably expected to be let;
- (iv) the name of the owner of the premises and his permanent address;
- (v) the name of the occupier of the premises and his permanent address; and
- (vi) such other particulars as may be required by the assessing authority for the purposes of this Act.

(4) For the purpose of enabling an assessing authority to maintain the list of taxable premises up-to-date as provided in sub-section (2), every owner of such premises which is taxable under this Act or which has ceased to be taxable at any time, shall furnish the assessing authority, a return containing the particulars specified in sub-section (3), as soon as may be, after such premises is rendered taxable or, as the case may be, has ceased to be taxable under this Act.

9. (1) For the purpose of assessment of tax, an assessment list based on the particulars contained in the list of taxable premises shall be prepared by the assessing authority, in respect of each building, separately. Assessment of taxable premises.

(2) The assessment list to be prepared for the first time after the appointed day shall ordinarily be prepared within one year from the appointed day (or such longer period as the State Government may, either *suo motu* or on application of a municipal corporation, by notification in the *Official Gazette*, specify in that behalf); and every such subsequent list shall be prepared before the 30th day of June of the year to which it relates (or before such other subsequent date as the State Government may either *suo motu* or on application of a municipal corporation, by notification in the *Official Gazette*, specify in that behalf).

(3) Where after the preparation of the assessment list under sub-section (2), any entry has been deleted, altered or added to in the list of taxable premises, and consequent to such deletion, alteration or addition, any modification in the assessment list is rendered necessary, the assessing authority shall prepare a list of such modifications.

10. (1) As soon as may be after the assessment list or the list of modifications is prepared under section 9, the assessing authority shall cause to be published in the prescribed manner, a notice thereof and of the place where such list or copy thereof may be inspected; and every person claiming to be either the owner or occupier of the premises, included in the list, and any agent of such person, shall be at liberty to inspect the list and to take extracts therefrom without any charge. Publication of assessment list and list of modifications.

(2) Every notice published under sub-section (1) shall specify a date, not less than fifteen days and not more than thirty days from the date of publication of the notice, before which objections to the assessment list or list of modifications shall be made.

(3) Objection to the assessment list or list of modifications shall be made by the owner or occupier to the assessing authority before the time fixed in the notice by application in writing, stating the grounds on which the assessment list or the list of modifications is disputed. All applications so made shall be registered in a book to be kept by the assessing authority for this purpose.

(4) After the period specified in the notice under sub-section (2) expires, the assessing authority shall investigate and dispose of the objections, after allowing the objector a reasonable opportunity of being heard in person or by agent, and cause the result thereof to be entered in the book kept under sub-section (3) and cause any amendment necessary in accordance with such result to be made in the assessment list, or, as the case may be, the list of modifications.

(5) The assessment list or, as the case may be, the list of modifications finally made under sub-section (4) shall be authenticated by the assessing authority under the seal of its office and signature, and the assessing authority shall endorse a certificate thereon that no valid objection has been made to the assessment list or, as the case may be, the list of modifications, except in cases in which amendments have been made therein.

(6) The list authenticated as provided in sub-section (5) shall be published by the assessing authority in such manner as it thinks fit, and a copy thereof shall be sent by it to the collecting authority for the collection of the tax in accordance with such list.

Appeal. 11 (1) For the purpose of hearing appeals in relation to an assessment list or list of modifications, the Municipal Commissioner may, by notification in the *Official Gazette*, appoint as many of the officers of the Corporation as he thinks fit to be the appellate authorities and shall define the limits of their jurisdiction.

(2) Any assessee objecting to the amount of tax assessed by the assessing authority or denying his liability to pay the tax so assessed, may appeal to the appellate authority against the assessment:

Provided that, no such appeal shall lie unless the tax has been paid.

(3) The memorandum of appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(4) The appeal shall be presented within fifteen days next after the presentation of the bill for payment of the tax assessed; but the appellate authority may admit an appeal presented after the expiration of the said period, if it is satisfied that the appellant had sufficient cause for not presenting it within the said period.

(5) The appellate authority shall fix a day and place for the hearing of the appeal, and may, from time to time, adjourn the hearing and make or cause to be made such further inquiry as it thinks fit. At the hearing of the appeal, the assessing authority shall also have the right to be heard.

(6) In disposing of an appeal, the appellate authority may,—

(a) confirm, reduce, enhance or annul the assessment, or

(b) set aside the assessment, and direct the assessing authority to make a fresh assessment after such further inquiry as may be directed.

(7) The appellate authority shall, on the conclusion of the appeal, communicate orders passed by it to the appellant and the assessing authority.

(8) The orders passed by the appellate authority shall be final and shall not be called in question in any Court.

(9) Where the appellate authority has enhanced the assessment, the assessing authority shall issue an order specifying the additional amount to be paid by the appellant, and shall send a copy thereof to the collecting authority for collecting the said amount.

#### COLLECTION OF TAX

Authorities competent to collect tax, etc.

12. (1) The tax shall be collected by the municipal corporation.

(2) The collection of the tax (including any penalty) under this Act shall be made in the same manner in which the property tax is collected in that area under the relevant municipal law:

Provided that, if in any Corporation area, the property tax is not levied by the municipal corporation, the tax shall be collected in such manner as may be prescribed.

(3) The collection of the tax and the recovery of penalty under this Act, on behalf of any municipal corporation shall be made by the appropriate municipal corporation authority appointed to collect the property tax on behalf of such municipal corporation under the relevant municipal law.

(4) The municipal corporation shall, in respect of the cost of collection of the tax, be entitled to such rebate as may be prescribed, and different rates of rebate may be provided for different Corporation areas.

Tax to be charged on buildings, in respect of which it is leviable.

13. Notwithstanding anything contained in any law and notwithstanding any rights arising out of any contract or otherwise howsoever, all sums due as tax or penalty, in respect of any taxable premises, shall, subject to the prior payment of the land revenue, if any, thereon due to the State Government, be a charge—

(a) in the case of any premises held immediately from the Government, upon the interest in such premises of the person liable for such tax or penalty, and upon the goods and other movable properties, if any, found within such premises, and



(b) in the case of any other premises, upon such premises and upon the goods and other movable properties, if any, found within such premises.

14. (1) Within a period of thirty days from the date of recovery of the tax and penalty, if any, the amount so recovered shall, from time to time, be paid by the Municipal Commissioner to the State Government.

Crediting amount of tax collected to State Government and submission of return of collection by collecting authority.

(2) The proceeds of the tax and penalty, if any, collected and paid to the State Government under the last preceding sub-section shall be credited to the Consolidated Fund of the State.

(3) Within three months from the date of expiry of every year, the Municipal Commissioner shall furnish to the State Government a return showing the aggregate amount of tax assessed by the assessing authority in respect of that year, and the aggregate amount of such assessed tax and penalty, if any, collected by the collecting authority in that year.

15. (1) If any municipal corporation makes a default in the collection or payment to the State Government of any sum due in respect of the tax under this Act, the State Government may, after holding such inquiry as it thinks fit, fix a period for the collection or payment of such sum.

Default of municipal corporation in collecting tax.

(2) If the collection or payment of the sum is not made within the period so fixed, the State Government may, notwithstanding anything contained in any law relating to the funds vesting in such municipal corporation or any other law for the time being in force, direct any bank in which any moneys of the municipal corporation are deposited or the person in-charge of the Government treasury or of any other place of security in which the moneys of such municipal corporation are deposited, to pay such sum from such money as may be standing to the credit of the municipal corporation in such bank or, as the case may be, in the hands of such person or as may, from time to time, be received, from or on behalf of the municipal corporation by way of deposit by such bank or person, and such bank or person shall be bound to obey such order.

(3) Every payment made pursuant to an order under sub-section (2) shall be a sufficient discharge to such bank or person from all liability to the municipal corporation, in respect of any sum so paid by it or him out of the moneys of that municipal corporation so deposited with such bank or person.

#### MISCELLANEOUS

16. The assessing authority or the appellate authority or any officer authorised by any of these authorities may, after due notice, at any time between sunrise and sunset, enter any taxable premises for the purpose of collecting particulars relating thereto, or for taking measurement of the premises and may require the owner or occupier of the premises or any other person in-charge thereof to produce for inspection any book, register or record kept therein and ask for any information relating to the taxable premises for the purpose of assessing the tax ; and the owner or occupier of the premises or other person in-charge thereof shall be bound to afford facilities for taking measurement and for such inspection, and furnish such information as is available with him.

Power of entry, inspection, etc.

17. (1) If any assessee satisfies the assessing authority that the amount of the tax paid by him exceeds the amount with which he is properly assessable under this Act, such assessee shall be entitled to a refund of any such excess amount from the assessing authority.

Refunds.

(2) The appellate authority in exercise of its appellate powers, if satisfied to the like effect, shall cause a refund to be made by the assessing authority of any amount found to have been wrongly paid or paid in excess.

**Limitation for claims for refund.** 18. No claim to any refund of the tax under section 17 shall be admitted, unless it is made within one year from the date of payment of the tax by the assessee or, where an appeal has been preferred, within one year from the date of receipt of the order in appeal.

**Penalty for default in payment of tax.** 19. (1) If any person, on being served with a notice of demand for the collection of tax in pursuance of the provisions of section 12, fails to pay within the period mentioned in the notice, any amount due from him on account of tax, the Municipal Commissioner, on being satisfied that such person has wilfully failed to pay the tax, may, subject to the general or special orders of the State Government, impose and recover from him as penalty a sum not exceeding one-tenth of the amount of the tax so unpaid, in addition to the amount of tax payable by him.

(2) Sums recoverable under this section shall be recovered in the manner provided in section 12 for the collection of tax.

**Penalty for failure to furnish return.** 20. (1) If any person fails, without reasonable cause, to furnish to the assessing authority any return specified in sub-section (3) or sub-section (4) of section 8, the assessing authority may after giving a show cause notice, impose a penalty which may extend to one hundred rupees.

(2) The penalty imposed under sub-section (1) may be recovered in the same way as the tax and penalty are recovered under sub-section (2) of section 12.

**Offence of making false statement, etc.** 21. If any person makes any statement in the return furnished under sub-section (3) or sub-section (4) of section 8, or furnishes any information under section 16, which is false or which he either knows or has reason to believe to be false or does not believe to be true, he shall, on conviction, be punished with simple imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

**Punishment for obstruction.** 22. If any person obstructs the assessing or appellate authority, or any officer authorised by any of these authorities, in the discharge of its or his duties under section 16, he shall, on conviction, be punished with imprisonment of either description for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

**Offences by companies.** 23. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company shall be deemed to be guilty of an offence and shall be liable to be proceeded against and punished accordingly :

Provided that, nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any Director, Manager, Secretary or other Officer, such Director, Manager, Secretary or other Officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

**Explanation.**—For the purpose of this section,—

(a) "company" means a body corporate and includes a firm or other association of individuals ;

(b) "Director" in relation to a firm, means a partner in the firm.

24. The following buildings shall be exempt from the payment of the tax, that is to say,—

- (a) buildings vesting in, or belonging to, the Central or State Government ;  
 (b) buildings vesting in any other State Government or belonging to any local authority and used exclusively for public purposes, and not used or intended to be used for purpose of profit ;  
 (c) buildings vesting in the Board of Trustees of the Port of Bombay and not used or intended to be used for the purpose of profit ;  
 (d) buildings or parts thereof vesting in, or in the occupation of, any *consul de carriers*, whether called a consul-general, consul, vice-consul, consular agent, pro-consul or by any other name, of a foreign State, or of any members (not being citizens of India) of the staff of such officials and such buildings or parts are used or intended to be used for residential purpose and not used or intended to be used for purpose of profit.

Exemption of certain buildings from payment of tax.

25. For the removal of doubts, it is hereby declared that the provisions of this Act shall be in addition to the provisions of any other law providing for the levy of tax on immoveable property.

Tax under this Act leviable in addition to other taxes.

26. (1) The power to make rules under this Act shall be exercised by the State Government, by notification in the *Official Gazette*, subject to the condition of previous publication except on the first occasion of the exercise of such power.

Power to make rules.

(2) Without prejudice to any power to make rules contained elsewhere in this Act the State Government may make rules consistent with this Act generally to carry out the purposes of this Act. Such rules may provide for payment of fees for any of the purposes of this Act, for which no provision has been made in this Act.

(3) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of the State Legislature while it is in session for a total period of thirty days, which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, and notify such decision in the *Official Gazette*, the rule shall, from the date of publication of such notification, have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done or omitted to be done under that rule.

#### TRANSITIONAL AND SPECIAL PROVISIONS

Mah. XIX of 1974. 27. The Maharashtra Tax on Residential Premises Act, 1974 (hereinafter referred to as "the repealed Act") shall stand repealed.

Repeal of Mah. XIX of 1974.

28. (1) As soon as may be, after the appointed day, the assessing authority shall prepare the list of taxable premises under section 8 and the assessment list under sections 9 and 10 for the year commencing on the 1st April 1979 and ending on the 31st March 1980 and take or cause to be taken further action for levying and collection of the tax for that year according to the provisions of this Act.

Preparation of list of taxable premises and assessment list and collection of tax for 1974-79.

(2) On the basis of the list of taxable premises and the assessment list referred to in sub-section (1), the assessing authority shall then prepare list of taxable premises and the assessment list for the period commencing on the 1st April 1974 and ending on the 31st March 1979. Such lists may be prepared separately for each year or for two or more years as may be determined by the assessing authority. The provisions of sections 8, 9, 10 and 11 and other relevant sections and the rules made thereunder shall apply, *mutatis mutandis*, to the preparation and finalisation of such lists.

(3) After the assessment list or lists are prepared and finalised for the period from the 1st April 1974 to the 31st March 1979, the collecting authority shall cause bills to be prepared in respect of the taxable premises and serve such bills on the persons liable to pay the tax and take or cause to be taken further action for the levy and collection of the tax for the relevant year or years according to the provisions of this Act.

(4) Separate bill may be prepared for separate premises. Separate or consolidated bills may be prepared for different years. Every such bill shall specify the residential premises in respect of which the tax is due, the period or periods for which the tax is due, the rateable value of the premises, the amount of tax assessed in respect thereof, the amount (if any) paid by the assessee under the repealed Act and the balance payable by him or the amount of refund payable to him, as the case may be.

Refund of amount paid under repealed Act to persons not liable to tax under this Act.

29. Where the collecting authority finds that any person who has paid any amount under the repealed Act is not liable to pay tax under this Act, the collecting authority shall, as soon as may be, order refund to such person of the amount paid by him under the repealed Act.

Provision for revision of bill or refund order when it is not correct.

30. (1) If any person claims that the amount of balance payable by him or the amount of refund payable to him under any bill served on him under section 28 or the amount of refund payable to him under section 29 is not correct, he may make an application to the collecting authority in writing stating the correct amount according to his calculation, supported by bills and receipts in respect of the amount paid by him under the repealed Act.

(2) On receipt of any such application, the collecting authority may after holding such inquiry as it deems fit and after giving a reasonable opportunity of being heard to the applicant, either confirm the bill already served or amend the bill or the refund order and issue a revised bill or refund order, as the case may be.

#### SCHEDULE

(See section 3)

Area 1	Rate of tax 2
I. <i>Greater Bombay</i> .—Where the floorage of the residential premises exceeds 125 square metres and the rateable value exceeds rupees one thousand and five hundred.	Ten per cent. of the rateable value of the residential premises.
II. <i>Within the limits of other Corporation areas</i> .—Where the floorage of the residential premises exceeds 150 square metres and the rateable value exceeds rupees one thousand and five hundred.	Ten per cent. of the rateable value of the residential premises.



# महाराष्ट्र शासन राजपत्र

## असाधारण भाग आठ

वर्ष २, अंक १५(३) मंगळवार, एप्रिल २७, २०१०/वैशाख ७, शके १९३२ [पृष्ठे ३३, किंमत : रुपये १९.००]

असाधारण क्रमांक ३५

प्राधिकृत प्रकाशन

महाराष्ट्र विधानमंडळाचे अधिनियम व राज्यपालांनी प्रख्यापित केलेले अध्यादेश व केलेले विनियम आणि विधि व न्याय विभागाकडून आलेली विधेयके (इंग्रजी अनुवाद).

In pursuance of clause (3) of article 348 of the Constitution of India, the following translation in English of the Bombay Provincial Municipal Corporations, the City of Nagpur Corporation, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships, the Maharashtra (Urban Areas) Protection and Preservation of Trees and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) (Amendment) Act, 2009 (Mah. Act No. X of 2010), is hereby published under the authority of the Governor.

By order and in the name of the Governor of Maharashtra,

H. B. PATEL,  
Secretary to Government,  
Law and Judiciary Department.

### MAHARASHTRA ACT No. X of 2010.

(First published, after having received the assent of the Governor in the "Maharashtra Government Gazette", on the 27th April 2010)

An Act further to amend the Bombay Provincial Municipal Corporations Act, 1949, the City of Nagpur Corporation Act, 1948, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships Act, 1965, the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975 and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) Act, 1979.

Bom. LIX  
of 1949.  
C.P. and  
Berar II  
of 1950.  
Mah. XL  
of 1965.  
Mah.  
XLIV of  
1975.  
Mah.  
XXIX of  
1979.

WHEREAS it is expedient further to amend the Bombay Provincial Municipal Corporations Act, 1949, the City of Nagpur Corporation Act, 1948, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships Act, 1965, the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975 and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) Act, 1979, for the purposes hereinafter appearing; it is

hereby enacted in the Sixtieth Year of the Republic of India as follows :—

## CHAPTER I

### PRELIMINARY

Short title and commencement.

1. (1) This Act may be called the Bombay Provincial Municipal Corporations, the City of Nagpur Corporation, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships, the Maharashtra (Urban Areas) Protection and Preservation of Trees and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) (Amendment) Act, 2009.

(2) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

## CHAPTER II

### AMENDMENTS TO THE BOMBAY PROVINCIAL MUNICIPAL CORPORATIONS ACT, 1949

Amendment of heading under sub-title "Property taxes" in Chapter XI of Bom. LIX of 1949.

2. In Chapter XI of the Bombay Provincial Municipal Corporations Act, 1949 (hereinafter, in this Chapter, referred to as "the Provincial Corporations Act"),—

Bom. LIX of 1949.

(1) in section 128, clause (2) shall be deleted;

(2) under the sub-title "*Property Taxes*", for the heading "*Property taxes leviable*", the following heading shall be substituted, namely :—

"*Property taxes leviable on rateable value or capital value*".

Insertion of section 128A in Bom. LIX of 1949.

3. In Chapter XI of the Provincial Corporations Act, after the heading as so substituted, the following section shall be inserted, namely :—

Property taxes what to consist.

"128A. (1) Property taxes leviable on buildings and lands in the City under this Act shall include water tax, water benefit tax, sewerage tax, sewerage benefit tax, general tax, education cess, street tax and betterment charges.

(2) For the purposes of levy of property taxes, the expression "building" includes a flat, a *gala*, a unit or any portion of the building.

(3) All or any of the property taxes may be imposed on a graduated scale.

(4) Save as otherwise provided in this Act, it shall be lawful for the Corporation to continue to levy all or any of the property taxes on the rateable value of buildings and lands until the Corporation adopts levy of any or all the property taxes on such buildings and lands on the capital value thereof under sub-section (2) of section 129."

4. In section 129 of the Provincial Corporations Act,—

Amendment  
of section  
129 of  
Bom. LIX  
of 1949.

(1) for the marginal note, the following marginal note shall be substituted, namely :—

“Property taxes leviable on rateable value, or on capital value, as the case may be, and at what rate.”;

(2) section 129 of the Provincial Corporations Act shall be re-numbered as sub-section (1) thereof; and

(A) in sub-section (1), as so re-numbered,—

(i) for the portion beginning with the words “For the purposes” and ending with the words “taxes which” the words “The following property taxes” shall be substituted;

(ii) in clause (a), after the words “rateable value” the words “or their capital value, as the case may be,” shall be inserted;

(iii) in clause (aa), after the words “rateable value” the words “or their capital value, as the case may be,” shall be inserted;

(iv) in clause (b), after the words “rateable value” the words “or their capital value, as the case may be,” shall be inserted;

(v) in clause (bb), after the words “rateable value” the words “or their capital value, as the case may be,” shall be inserted;

(vi) in clause (c),—

(a) after the words “their rateable value,” where they occur for the first time, the words and figures “or of not less than 0.1 and not more than 1 per centum of their capital value, as the case may be,” shall be inserted;

(b) after the words “their rateable value”, where they occur for the second time, the words and figures “or of not less than 0.01 and not more than 0.2 per centum of their capital value, as the case may be,” shall be inserted;

(vii) after clause (e), the following clause shall be inserted, namely :—

“(f) the betterment charges leviable under Chapter XVI.”;

(viii) the first proviso shall be deleted;

(B) after sub-section (1) as so re-numbered, the following sub-section shall be added, namely :—

“(2) Notwithstanding anything contained in any other provisions of this Act, but save as otherwise provided in the proviso and the *Explanation* to sub-section (1), the Corporation may pass a resolution to adopt levy of property tax on buildings and lands in the City on the basis of capital value of the buildings and lands on and from such date, and at such rates, as the Corporation may determine in accordance with the provisions of section 99 :—

Provided that, for the period of five years from the date on which such property tax is levied on capital value, the tax shall not exceed,—

(i) in respect of building used for residential purposes, two times, and

(ii) in respect of building or land used for non-residential purposes, three times,

the amount of the property tax leviable in respect thereof in the year immediately preceding such date :

Provided further that, the property tax levied on the basis of capital value of any buildings or lands, on revision made under sub-rule (3) of rule 7A of the TAXATION RULES in Chapter VIII of Schedule 'D', shall not in any case exceed 40 per centum of the amount of the property tax payable in the year immediately preceding the year of such revision :

Provided also that, for the period of five years commencing from the year of adoption of capital value as the base for levy of property tax under this sub-section, the amount of property tax leviable in respect of a residential building or residential tenement, having carpet area of 46.45 sq. meters (500 sq. feet) or less, shall not exceed the amount of property tax levied and payable in the year immediately preceding the year of such adoption of capital value as the basis.

*Explanation.*—For the purposes of this section, after the Corporation adopts the capital value as the basis of levy of property tax, the property tax in respect of any taxable building shall be revised after every five years and on each such revision, such amount of property tax, shall not in any case exceed the forty per cent. of the amount of the property tax levied and payable in the year immediately preceding the year of the revision.”

Amendment  
of section  
133 of Bom.  
LIX of 1949.

5. In section 133 of the Provincial Corporations Act,—

(1) in sub-section (1), after the word, brackets and figure “sub-section (2)” the brackets, figure and letter “(2A)” shall be inserted ;

(2) after sub-section (2), the following sub-section shall be inserted, namely :—

“(2A) Where the Corporation has adopted the levy of property tax on capital value of buildings and lands, the capital value of buildings and lands in the City vesting in Government and beneficially occupied, in respect of which but for the said exemption, general tax would be leviable from the State Government, shall be the book value of such buildings or lands in Government records and such capital value shall hold good for a term of five years, subject only to proportionate variation, if in the meantime the number or extent of the buildings and lands vesting in Government in the City materially increases or decreases.”

(3) in sub-section (3),—

(a) after the words “rateable value” the words “or on a capital value; as the case may be,” shall be inserted;

(b) the words, brackets, figure and letter “or sub-section (2A), as the case may be,” shall be added at the end.



6. In section 139 of the Provincial Corporations Act, in sub-section (1), after clause (a), the following clauses shall be inserted, namely :—

Amendment of section 139 of Bom. LIX of 1949.

“(a-1) if the premises are held or occupied by a person, who is not the owner and the whereabouts of the owner of the premises cannot be ascertained, from the holder or occupier ; and

(a-2) if the premises are held or developed by a developer or an attorney or any person in whatever capacity such person may be holding the premises and in each of whom the right to sell the same exists or is acquired, from such holder, developer, attorney, or person, as the case may be :

Provided that, such holder, developer, attorney or person shall be liable until the actual sale is effected.”

7. In section 140 of the Provincial Corporations Act,—

Amendment of section 140 of Bom. LIX of 1949.

(1) after sub-section (1), the following sub-section shall be inserted, namely :—

“(1A) Notwithstanding anything contained in sub-section (1), on and from the date of adoption of capital value as the base for levy of property taxes under sub-section (2) of section 129, but subject to the other provisions of this Act, the Commissioner may serve a bill for the amount of property tax on such occupier of the said premises, or, if there are two or more such occupiers thereof, may serve a bill on each of them for such portion of the sum due as bears to the whole amount of tax based on the capital value, due in the same ratio which the capital value, of such portion of the premises of the occupier or occupiers bears to the aggregate amount of the tax based on the capital value, in respect of the said premises.”;

(2) in sub-section (3), the words “ which has remained due for more than one year, or ” shall be deleted.

8. In section 148A of the Provincial Corporations Act, in sub-section (1),—

Amendment of section 148A of Bom. LIX of 1949.

(1) for the portion beginning with the words “as the Corporation” and ending with the words “graduated scale.”, the following shall be substituted, namely :—

“or of so many per centum of their capital value, as the case may be, as the Corporation may determine :”;

(2) in the proviso, in clause (c), after the words “rateable value” the words “or a capital value, as the case may be,” shall be inserted.

9. In section 148B of the Provincial Corporations Act, in sub-section (2),—

Amendment of section 148B of Bom. LIX of 1949.

(1) after the words “rateable value” the words “or the capital value, as the case may be,” shall be inserted;

(2) after the word, brackets and figure “sub-section (2)” the words, brackets, figure and letter “or sub-section (2A)” shall be inserted.

Amendment  
of section  
148C of  
Bom. LIX of  
1949.

10. In section 148C of the Provincial Corporations Act, in sub-section (1),—

(1) after the words "rateable value" the words "or of so many per centum of their capital value, as the case may be," shall be inserted;

(2) in the proviso, in clause (c), after the words "rateable value" the words "or a capital value, as the case may be," shall be inserted.

Amendment  
of section  
406 of Bom.  
LIX of 1949.

11. In section 406 of the Provincial Corporations Act,—

(1) in sub-section (1), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;

(2) in sub-section (2),—

(a) in clause (b), after the words "rateable value" the words "or a capital value, as the case may be," shall be inserted;

(b) in clause (d), for the words "fifteen days" the words "twenty-one days" shall be substituted;

(c) in clause (e), after the words "rateable value", at both the places where they occur, the words "or the capital value, as the case may be," shall be inserted;

(3) after sub-section (2), the following sub-section shall be inserted, namely :—

"(2A) Where the appeal is not filed in accordance with the provisions of clauses (a) to (e) of sub-section (2), it shall be liable to be summarily dismissed."

Amendment  
of section  
407 of Bom.  
LIX of 1949.

12. In section 407 of the Provincial Corporations Act, in clause (a), after the words "rateable value" the words "or a capital value, as the case may be," shall be inserted.

Amendment  
of section  
408 of Bom.  
LIX of 1949.

13. In section 408 of the Provincial Corporations Act,—

(a) after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;

(b) for the words and figures "Arbitration Act, 1940" the words and figures "Arbitration and Conciliation Act, 1996" shall be substituted.

X of  
1940.  
26 of  
1996.

Deletion of  
section 409  
of Bom: LIX  
of 1949.

14. Section 409 of the Provincial Corporations Act shall be deleted.

Amendment  
of section  
410 of Bom.  
LIX of 1949.

15. In section 410 of the Provincial Corporations Act, after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted.

16. In section 411 of the Provincial Corporations Act, in clause (a), for the words "in excess of two thousand rupees" the words "or a capital value, as the case may be," shall be substituted. Amendment of section 411 of Bom. LIX of 1949.
17. In section 412 of the Provincial Corporations Act, the words and figures "and of valuation under section 409" shall be deleted. Amendment of section 412 of Bom. LIX of 1949.
18. In section 413 of the Provincial Corporations Act,— Amendment of section 413 of Bom. LIX of 1949.
- (1) in sub-section (1), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;
- (2) for sub-section (2), the following sub-section shall be substituted, namely :—
- "(2) Where the decision of the said Judge is not final it shall be lawful for the Commissioner to assess the property tax on the basis of the rateable value or the capital value, as the case may be, determined under rule 7 or 7A of the TAXATION RULES in Chapter VIII of Schedule 'D', from year to year, subject, however, to the provisions of section 406."
19. In section 415 of the Provincial Corporations Act, in sub-section (2),— Amendment of section 415 of Bom. LIX of 1949.
- (a) after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;
- (b) for the words "exceeds rupees two thousand" the words "exceeds such amount as the State Government may, by notification in the *Official Gazette*, specify" shall be substituted.
20. In section 481 of the Provincial Corporations Act, in sub-section (1), in clause (d), after the words "rateable value" the words "or a capital value, as the case may be," shall be inserted. Amendment of section 481 of Bom. LIX of 1949.
21. In Schedule 'D', to the Provincial Corporations Act, in Chapter VIII, in rule 2 of the TAXATION RULES (hereinafter referred to as the "TAXATION RULES"),— Amendment of rule 2 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.
- (1) in the marginal note, the words "and fees payable for transfer of title" shall be added at the end ;
- (2) in sub-rule (2), the word "Indian" shall be deleted.
22. In rule 4 of the TAXATION RULES, in sub-rule (1), the word "Indian" shall be deleted. Amendment of rule 4 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment  
of rule 5 of  
Chapter  
VIII in  
Schedule 'D'  
to Bom. LX  
of 1949.

23. In rule 5 of the TAXATION RULES,—

(1) in sub-rule (1), after the word "reoccupied," the words "or when there is change of user of part or whole of the building," shall be inserted;

(2) in sub-rule (2), the words "and in the case of change of user of part or whole of the building, from the date of such change of user" shall be added at the end.

Insertion of  
rule 7A in  
Chapter  
VIII in  
Schedule 'D'  
to Bom. LX  
of 1949.

24. After rule 7 of the TAXATION RULES, the following rule shall be inserted, namely :—

Capital  
value how  
to be  
determined.

"7A. (1) In order to fix the capital value of any building or land assessable to a property tax, the Commissioner shall have regard to the value of any building or land as indicated in the Stamp Duty Ready Reckoner for the time being in force as prepared under the Bombay Stamp (Determination of True Market Value of Property) Rules, 1995, framed under the provisions of the Bombay Stamp Act, 1958, or where the Stamp Duty Ready Reckoner does not indicate value of any properties in any particular area wherein a building or land in respect of which capital value is required to be determined is situate, or in case such Stamp Duty Ready Reckoner does not exist, then the Commissioner may fix the capital value of any building or land, taking into consideration the market value of such building or land, as a base value; and also have regard to the following factors, namely :—

(a) the nature and type of the land and structure of the building;

(b) area of land or carpet area of building ;

(c) user category, that is to say, (i) residential, (ii) commercial (shops or the like), (iii) offices, (iv) hotels (upto 4 stars), (v) hotels (more than 4 stars), (vi) banks, (vii) industries and factories, (viii) school and college building or building used for educational purposes, (ix) malls, and (x) any other building or land not covered by any of the above categories ;

(d) age of the building ; or

(e) such other factors as may be specified by Regulations made under sub-rule (2).

(2) The Commissioner shall, with the approval of the Standing Committee, frame such Regulations as respects the details of categories of building or land and the weightage by multiplication to be assigned to various such categories for the purpose of fixing the capital value under sub-rule (1).

(3) The capital value of any building or land fixed under sub-rule (1) shall be revised every five years :

Provided that, the Commissioner may, for reasons to be recorded in writing, revise the capital value of any building or land any time during the said period of five years and shall accordingly amend the assessment book in relation to such building or land under rule 20.

(4) The provisions of sub-rules (2), (3) and (4) of rule 7 shall *mutatis mutandis* apply for fixing the capital value also."

Bom.  
LX of  
1958.

25. In rule 8 of the TAXATION RULES, in sub-rule (1),—

(1) for the word "value", at both the places where it occurs, the words "rateable value or the capital value, as the case may be," shall be substituted ;

(2) after clause (c), the following clause shall be added, namely :—

"(d) as to the details in respect of any or all the items as enumerated in clauses (a) to (e) of sub-rule (1) of rule 7A, in relation to such building or land or of any portion thereof."

26. In rule 9 of the TAXATION RULES,—

(1) after the words "the assessment book" the words "in such form and manner as he may, with the approval of the Standing Committee, decide" shall be inserted ;

(2) in clause (b), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;

(3) for clause (d), the following clause shall be substituted, namely :—

"(d) if any such building or land is not liable to be assessed to the general tax or is exempted from payment of property tax, either in whole or in part, the reason of such non-liability or exemption, as the case may be,";

(4) in clause (e), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted.

27. In rule 10 of the TAXATION RULES, in sub-rule (1), for the words "purpose of elections" the words "administrative purposes" shall be substituted.

28. In rule 13 of the TAXATION RULES, in sub-rule (2), the words "or by any other mode including electronic media as the Commissioner may think fit" shall be added at the end.

29. In rule 15 of the TAXATION RULES,—

(1) in sub-rule (1),—

(a) for the words "fifteen days" the words "twenty-one days" shall be substituted;

(b) after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;

(2) in sub-rule (2),—

(a) after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;

(b) for the words "fifteen days" the words "twenty-one days" shall be substituted.

Amendment of rule 8 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment of rule 9 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment of rule 10 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment of rule 13 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment of rule 15 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment  
of rule 16  
of Chapter  
VIII in  
Schedule 'D'  
to Bom.  
LIX of  
1949.

30. In rule 16 of the TAXATION RULES, in sub-rule (1), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted.

Amendment  
of rule 19 of  
Chapter  
VIII in  
Schedule 'D'  
to Bom. LIX  
of 1949.

31. In rule 19 of the TAXATION RULES, in sub-rule (1), after the words "rateable values" the words "or the capital values, as the case may be," shall be inserted.

Amendment  
of rule 20  
of Chapter  
VIII in  
Schedule  
'D' to Bom.  
LIX of  
1949.

32. In rule 20 of the TAXATION RULES,—

(1) in sub-rule (1), in clause (c), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted;

(2) in sub-rule (2), after the words "rateable value" the words "or the capital value, as the case may be," shall be inserted.

Amendment  
of rule 30 of  
Chapter  
VIII in  
Schedule 'D'  
to Bom. LIX  
of 1949.

33. In rule 30 of the TAXATION RULES, the words and figures, "as specified in a bill served under rule 39, 40 or 55" shall be added at the end.

Substitution  
of rule 41 of  
Chapter  
VIII in  
Schedule 'D'  
to Bom. LIX  
of 1949.

34. For rule 41 of the TAXATION RULES, the following rule shall be substituted, namely :—

Levy of  
penalty on  
unpaid  
amount of  
bill.

"41. (1) The amount of first half-yearly tax as specified in the bill which has been served as aforesaid shall be paid within three months from the date of service of the bill and of the second half-yearly tax as specified in the bill shall be paid before the 31st December of each year; and if a person liable to pay tax does not pay the same as required as aforesaid, then he shall be liable to pay by way of penalty in addition to the amount of such tax or part thereof which has remained unpaid, a sum equal to two per cent. of such tax for each month or part thereof after the last date by which he should have paid such tax and shall continue to be liable to pay such penalty until the full amount as per the bill is paid :

Provided that, any property tax for which a bill is served under this Act before the date of commencement of the Bombay Provincial Municipal Corporations, the City of Nagpur Corporation, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships, the Maharashtra (Urban Areas) Protection and Preservation of Trees and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) (Amendment) Act, 2009 (hereinafter referred to as "the Amendment Act of 2009") has remained unpaid in full or in part, a person who has not paid such tax shall be liable to penalty as provided under this section, on and from the date of commencement of the said Amendment Act of 2009:

(2) If the other taxes or dues claimed in the bill are not paid by the date specified in the bill, the provisions of sub-section (1) shall *mutatis mutandis* apply to the amount which has so remained unpaid."

35. In rule 42 of the TAXATION RULES,—

(1) for the portion beginning with the words "on whom a notice of demand" and ending with the words "satisfaction of the Commissioner" the following shall be substituted, namely :—

"liable for the payment of the tax for which a bill is served upon him does not pay the tax together with penalty or interest or both as required under the provisions of this Act to pay the same";

(2) for sub-rule (2), the following sub-rule shall be substituted, namely :—

"(2) Where the person liable to pay the tax according to the bill served upon him pays the tax as required under the provisions of this Act but does not pay the amount of penalty or interest or both either in whole or in part as may be due on the unpaid amount of tax, for such amount which has remained unpaid, a warrant in the form of Schedule H, *mutatis mutandis*, may be issued by the Commissioner in the same manner as if such sums were due on account of the tax."

36. In rule 45 of the TAXATION RULES,—

(1) in sub-rule (1),—

(a) for the words "amount due" the words "tax due, penalty or interest or both, if any, due and payable together" shall be substituted;

(b) for the words "five days" the words "twenty-one days" shall be substituted;

(2) for sub-rule (2), the following sub-rule shall be substituted, namely :—

"(2) Such order shall be proclaimed by fixing at some conspicuous part of the property and upon a conspicuous part of the municipal office and also, when the property is land, paying revenue to the State Government, in the office of the Collector."

37. In rule 47 of the TAXATION RULES, in sub-rule (2), after the words "public auction" the words "or by auction by inviting sealed bids" shall be inserted.

Amendment of rule 42 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment of rule 45 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Amendment of rule 47 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

Substitution of rule 51 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

**38.** For rule 51 of the TAXATION RULES, the following rule shall be substituted, namely :—

Penalty, fees or cost of recovery may be remitted.

**"51.** The Commissioner may, in his discretion, remit the whole or any part of penalty under rule 41, or fees or cost of recovery under rule 50."

Amendment of rule 53 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

**39.** In rule 53 of the TAXATION RULES, in sub-rule (2), the words "except that it shall not be necessary to serve upon the defaulter any notice of demand," shall be deleted.

Insertion of rule 55A in Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

**40.** After rule 55 of the TAXATION RULES, the following rule shall be inserted, namely :—

Special provision for facility for payment of property taxes.

**"55A.** Any person who is liable to pay amount of taxes or any other dues under this Act may avail himself of the facility of making payment thereof in any bank or to any agency specified by the Corporation in this behalf by giving a public notice in two leading newspapers circulating within the area of jurisdiction of the Corporation; and the person availing himself of such facility shall be liable to pay such fees in respect thereof to such bank or agency, as the case may be, as may be determined by the Commissioner."

Amendment of rule 59 of Chapter VIII in Schedule 'D' to Bom. LIX of 1949.

**41.** In rule 59 of the TAXATION RULES, for the portion beginning with the word "accompanied" and ending with the word "claimed" the words and figures "accompanied by the original receipt or any valid proof of payment of the amount of the bill presented to the applicant under rule 39, 40 or 55" shall be substituted.

Deletion of Form G in Schedule 'D' to Bom. LIX of 1949.

**42.** Form G in Schedule 'D' to the Provincial Corporations Act shall be deleted.

Removal of doubt.

**43.** For the removal of doubt, it is hereby declared that all proceedings in connection with any assessment, reassessment, levy (including levy of penalty or interest) and collection of any property tax levied on the basis of rateable value relating to any period whatsoever, immediately before the date determined by the Corporation under sub-section (2) of section 129 to adopt capital value to be the base for levy of property taxes shall, notwithstanding anything contained in this Act but save as otherwise expressly provided therein, be continued and dealt with under the Provincial Corporations Act as if this Act has not been enacted.



CHAPTER III

AMENDMENTS TO THE CITY OF NAGPUR CORPORATION  
ACT, 1948

- C.P. and Berar II of 1950. 44. In PART IV, in Chapter XI of the City of Nagpur Corporation Act, 1948 (hereinafter, in this Chapter, referred to as "the Nagpur Corporation Act"), in the sub-heading, "The Property Taxes—Imposition of Property Taxes" the words "*leviable on annual value or capital value*" shall be added at the end.
- Amendment of sub-heading in PART IV in Chapter XI of C.P. and Berar II of 1950.
45. In Chapter XI of the Nagpur Corporation Act, after the sub-heading "The Property Taxes—Imposition of Property Taxes *leviable on annual value or Capital Value*", the following section shall be inserted, namely :—
- Insertion of section 115-1A in C.P. and Berar II of 1950.
- "115-1A: (1) Property taxes *leviable on buildings and lands in the City under this Act shall include sewerage tax, sewerage benefit tax, water tax, water benefit tax, general tax, street tax and education cess.*
- Property taxes what to consist.
- (2) For the purposes of levy of property taxes, the expression "building" includes a flat, a *gala*, a unit or any portion of the building.
- (3) All or any of the property taxes may be imposed on a graduated scale.
- (4) Save as otherwise provided in this Act, it shall be lawful for the Corporation to continue to levy all or any of the property taxes on the annual value of buildings and lands until the Corporation adopts levy of any or all the property taxes on such buildings and lands on the capital value thereof under sub-section (2) of section 115A."
46. In section 115A of the Nagpur Corporation Act,—
- Amendment of section 115A of C.P. and Berar II of 1950.
- (1) for the marginal note, the following marginal note shall be substituted, namely :—
- "Property taxes *leviable on annual value, or on capital value, as the case may be, and at what rate.*";
- (2) section 115A of the Nagpur Corporation Act shall be re-numbered as sub-section (1) thereof; and
- (A) in sub-section (1) as so re-numbered,—
- (i) the words "and shall be called "property taxes" shall be deleted;
- (ii) in clause (a), in sub-clauses (i) and (ii), after the words "annual value" the words "or their capital value, as the case may be," shall be inserted ;
- (iii) in clause (b), in sub-clauses (i) and (ii), after the words "annual value" the words "or their capital value, as the case may be," shall be inserted ;

(iv) in clause (c), after the words "annual value" the words and figures "or of not less than 0.1 and not more than 1 per centum of the capital value, as the case may be," shall be inserted ;

(v) the proviso shall be deleted ;

(B) after sub-section (1), as so re-numbered, the following sub-section shall be added, namely :—

"(2) Notwithstanding anything contained in any other provisions of this Act, the Corporation may pass a resolution to adopt levy of property tax on buildings and lands in the City on the basis of capital value of the buildings and lands on and from such date, and at such rates, as the Corporation may determine in accordance with the provisions of this Act :

Provided that, for the period of five years from the date on which such property tax is levied on capital value, the tax shall not exceed,—

(i) in respect of building used for residential purposes, two times, and

(ii) in respect of building or land used for non-residential purposes, three times, the amount of the property tax leviable in respect thereof in the year immediately preceding such date :

Provided further that, the property tax levied on the basis of capital value of any buildings or lands on revision made under sub-section (2) of section 119 shall not in any case exceed forty per centum of the amount of the property tax payable in the year immediately preceding the year of such revision :

Provided also that, for the period of five years commencing from the year of adoption of capital value as the base, for levy of property tax under this sub-section, the amount of property tax leviable in respect of a residential building or residential tenement, having carpet area of 46.45 sq. metres (500 sq. feet) or less, shall not exceed the amount of property tax levied and payable in the year immediately preceding the year of such adoption of capital value as the basis.

*Explanation.*—For the purposes of this section, after the Corporation adopts the capital value as the basis of levy of property tax, the property tax in respect of any taxable building shall be revised after every five years and on each such revision, such amount of property tax, shall not in any case exceed the forty per cent. of the amount of the property tax levied and payable in the year immediately preceding the year of the revision."

48. In section 117 of the Nagpur Corporation Act,—

Amendment  
of section  
117 of C.P.  
and Berar II  
of 1950.

(1) in sub-section (1), for the word, brackets and figure "sub-section (2)" the word, brackets, figures and letter " sub-sections (2),(2A)" shall be substituted ;

(2) after sub-section (2), the following sub-section shall be inserted, namely :—

"(2A) Where the Corporation has adopted the levy of property tax on capital value of buildings and lands, the capital value of buildings and lands in the City vesting in Government and beneficially occupied, in respect of which but for the said exemption, general tax would be leviable from the State Government, shall be the book value of such buildings or lands in Government records and such capital value shall hold good for a term of five years, subject only to proportionate variation, if in the meantime the number or extent of the buildings and lands vesting in Government in the City materially increases or decreases." ;

(3) in sub-section (3), the following shall be added at the end, namely :—

"on the basis of annual value under sub-section (2) or on the basis of capital value under sub-section (2A), as the case may be "

49. In section 119 of the Nagpur Corporation Act,—

Amendment  
of section  
119 of C.P.  
and Berar II  
of 1950.

(1) in the marginal note, after the words "Annual value" the words "or the capital value, as the case may be," shall be inserted ;

(2) after the words "to the property taxes" the words "the annual value or the capital value, as the case may be, shall be determined as under" shall be added ;

(3) the existing clauses (a), (b) and (c) shall be re-numbered as clause (A) of section 119; and after clause (A), as so re-numbered, the following clause shall be added, namely :—

"(B) (a) In order to fix the capital value of any building or land assessable to a property tax, the Commissioner shall have regard to the value of any building or land as indicated in the Stamp Duty Ready Reckoner for the time being in force as prepared under the Bombay Stamp (Determination of True Market Value of Property) Rules, 1995, framed under the provisions of the Bombay Stamp Act, 1958, or where the Stamp Duty Ready Reckoner does not indicate value of any property in any particular area wherein a building or land in respect of which capital value is required to be determined is situate, or in case such Stamp Duty Ready Reckoner does not exist, then the Commissioner may fix the capital value of any building or land taking into consideration the market value of such building or land, as a base value; and also have regard to the following factors, namely :—

(i) the nature and type of the land and structure of the building,

(ii) area of land or carpet area of building,

(iii) user category, that is to say—(i) residential, (ii) commercial (shops or the like), (iii) offices, (iv) hotels (upto 4 stars), (v) hotels (more than 4 stars), (vi) banks, (vii) industries and factories, (viii) school and college building or building used for educational purposes, (ix) malls, and (x) any other building or land not covered by any of the above categories,

(iv) age of the building, or

(v) such other factors as may be specified by Regulations made under clause (b).

(b) The Commissioner shall, with the approval of the Standing Committee, frame such Regulations as respects the details of categories of building or land and the weightage by multiplication to be assigned to various such categories for the purpose of fixing the capital value under clause (a).

(c) The capital value of any building or land fixed under clause (a) shall be revised every five years:

Provided that, the Commissioner may, for reasons to be recorded in writing, revise the capital value of any building or land any time during the said period of five years and shall accordingly amend the assessment list in relation to such building or land under section 134."

Amendment  
of section  
121 of C.P.  
and Berar II  
of 1950.

50. In section 121 of the Nagpur Corporation Act, for the words "for the purposes of the property taxes" the words "for the purposes of determining the annual value or the capital value, as the case may be, and levy of the property taxes" shall be substituted.

Substitution  
of section  
122 of C.P.  
and Berar II  
of 1950.

51. For section 122 of the Nagpur Corporation Act, the following section shall be substituted, namely:—

Primary  
responsibility  
for property  
taxes on  
whom to  
rest.

"122. (1) Subject to the provisions of sub-section (2), property taxes assessed upon any premises shall be primarily leviable as follows, namely:—

(a) if the premises are held immediately from the Government or from the Corporation, from the actual occupier thereof:

Provided that, property taxes due in respect of buildings vesting in the Government and occupied by servants of the Government or other persons on payment of rent shall be leviable primarily from the Government;

(b) if the premises are held or occupied by a person, who is not the owner and the whereabouts of the owner of the premises cannot be ascertained, from the holder or occupier; and

(c) if the premises are held or developed by a developer or an attorney or any person in whatever capacity such person may be holding the premises and in each of whom the right to sell the same exists or is acquired, from such holder, developer, attorney, or person, as the case may be:

Provided that, such holder, developer, attorney or person shall be liable until the actual sale is effected ;

(d) if the premises are not so held,—

(i) from the lessor, if the premises are let;

(ii) from the superior lessor, if the premises are sub-let;

(iii) from the person in whom the right to let the premises vests, if they are unlet.

(2) If any land has been let for any term exceeding one year to a tenant, and such tenant has built upon the land, the property taxes assessed upon the said land and upon the building erected thereon shall be primarily leviable from the said tenant or any person deriving title from the said tenant by the operation of law or by assignment or transfer but not by sub-lease or the legal representative of the said tenant or person whether the premises be in the occupation of the said tenant or person or legal representative or a sub-tenant.”.

52. In section 123 of the Nagpur Corporation Act, in sub-section (1), after the words “annual value” the words “or the capital value, as the case may be,” shall be inserted.

Amendment of section 123 of C.P. and Berar II of 1950.

53. In section 124 of the Nagpur Corporation Act,—

(1) In the marginal note, after the words “annual value” the words “or capital value” shall be inserted ;

(2) after sub-section (1), the following sub-section shall be inserted, namely :—

“(1A) On and from the date of adoption of capital value as the basis for assessment and levy of property taxes by the Corporation under sub-section (2) of section 115A, the assessment on the basis of capital value determined in accordance with the provisions of this Act and the duration thereof shall be governed according to the provisions in relation to determination of capital value and the assessment of property tax made on the basis thereof.”.

Amendment of section 124 of C.P. and Berar II of 1950.

54. In section 125 of the Nagpur Corporation Act, in sub-section (1),—

(1) in clause (a), the word “and”, where it occurs for the third time, shall be deleted ;

(2) in clause (b), for the word “building.” the words “building; and” shall be substituted ;

(3) after clause (b), the following clause shall be added, namely :—

“(c) as to the details in respect of any or all the factors as enumerated in items (i) to (v) of sub-clause (a) of clause (B) of section 119 in relation to such land or building or of any portion thereof.”.

Amendment of section 125 of C.P. and Berar II of 1950.

Amendment  
of section  
126 of C.P.  
and Berar II  
of 1950.

55. In section 126 of the Nagpur Corporation Act,—

(1) in sub-section (1), after the words "the valuation" the words "as annual value or the capital value, as the case may be," shall be inserted;

(2) in sub-section (2), after the words "annual value" the words "or the capital value, as the case may be," shall be inserted.

Amendment  
of section  
127 of C.P.  
and Berar II  
of 1950.

56. In section 127 of the Nagpur Corporation Act, after the words and figures "is increased under section 124" the words, brackets, letters and figures "or under the proviso to sub-clause (c) of clause (B) of section 119" shall be inserted.

Amendment  
of section  
130 of C.P.  
and Berar  
II of 1950.

57. In section 130 of the Nagpur Corporation Act,—

(1) in sub-section (3), the word "Indian" shall be deleted;

(2) for sub-section (5), the following sub-section shall be substituted, namely:—

"(5) Where the decision of the District Court is not final by virtue of the provisions of section 388 which provides for an appeal or revision against the final decision of the District Court and in pursuance of this provision if an appeal or revision is filed and is pending then, notwithstanding anything contained in this Act, it shall be lawful for the Commissioner to assess the property taxes, from year to year, on the basis of annual value or the capital value, as the case may be, determined under the provisions of this Act, subject, however, to the provisions of sub-section (1)."

Amendment  
of section  
132 of C.P.  
and Berar  
II of 1950.

58. In section 132 of the Nagpur Corporation Act, in sub-section (1), after the words "annual value" the words "or the capital value, as the case may be," shall be inserted.

Amendment  
of section  
133 of C.P.  
and Berar II  
of 1950.

59. In section 133 of the Nagpur Corporation Act, in sub-section (1), after the words "annual values" the words "or the capital values, as the case may be," shall be inserted.

Amendment  
of section  
134 of C.P.  
and Berar II  
of 1950.

60. In section 134 of the Nagpur Corporation Act, in sub-section (1), in the second proviso, after the words "Provided further that" the words, figures and brackets " , but save as provided in sub-section (5) of section 130," shall be inserted.

Amendment  
of section  
138 of C.P.  
and Berar II  
of 1950.

61. In section 138 of the Nagpur Corporation Act, after the word and figures "section 130" the words and figures "or an appeal or revision is preferred under section 388" shall be inserted.

Deletion of  
section 139  
of C.P. and  
Berar II of  
1950.

62. Section 139 of the Nagpur Corporation Act shall be deleted.

63. In section 143 of the Nagpur Corporation Act, in sub-section (2), after the word and figures "section 116" the words, figures and letter "and section 118A" shall be inserted.

Amendment of section 143 of C.P. and Berar II of 1950.

64. In section 145 of the Nagpur Corporation Act, in sub-section (1), after the words "for the purpose of assessment" the words "on the basis of annual value" shall be inserted.

Amendment of section 145 of C.P. and Berar II of 1950.

65. After section 147 of the Nagpur Corporation Act, the following section shall be inserted, namely :—

Insertion of section 147A of C.P. and Berar II of 1950.

"147A. (1) When any new building is erected or any building is rebuilt or enlarged or occupied or reoccupied or when there is change of user of part or whole of the building, the person primarily liable for the property taxes assessed on the building, shall within fifteen days give notice thereof, in writing, to the Commissioner.

Notice to be given to Commissioner of erection of new building, etc.

(2) The said period of fifteen days shall be counted from the date of the completion or the occupation, whichever occurs first, of the building which has been newly erected or rebuilt, or of the enlargement, or of the reoccupation, or of the change of user of part or whole of the building, as the case may be."

66. In section 148 of the Nagpur Corporation Act, after sub-section (3), the following sub-sections shall be inserted, namely:—

Amendment of section 148 of C.P. and Berar II of 1950.

"(3A) Such notice shall be accompanied by such fees as the Commissioner may, from time to time, with the approval of the Standing Committee, prescribe; and such notice shall state clearly and correctly the particulars of transfer of land or building.

(3B) The transfer of title of any person primarily liable to the payment of property tax shall not be recorded by the Commissioner in the assessment list unless the property taxes due in respect of the property sought to be transferred are fully paid before giving such notice."

67. In section 153A of the Nagpur Corporation Act, in sub-section (1), for the words "rateable value", at both the places where they occur, the words "annual value or the capital value, as the case may be," shall be substituted.

Amendment of section 153A of C.P. and Berar II of 1950.

68. In section 153B of the Nagpur Corporation Act, in sub-section (1),—  
(1) for the words "rateable value", at both the places where they occur, the words "annual value or the capital value, as the case may be," shall be substituted ;

Amendment of section 153B of C.P. and Berar II of 1950.

(2) the words "Such tax may be levied, if the Corporation so determines, on a graduated scale" shall be deleted.

Amendment  
of section  
153C of  
C.P. and  
Berar II of  
1950.

69. In section 153C of the Nagpur Corporation Act, in sub-section (2),—

(1) for the words "rateable value" the words "annual value or the capital value, as the case may be," shall be substituted ;

(2) after the word, brackets and figure "sub-section (2)" the words, brackets, figure and letter "or sub-section (2A)" shall be inserted.

Amendment  
of section  
154 of C.P.  
and Berar  
II of 1950.

70. In section 154 of the Nagpur Corporation Act,—

(1) in the marginal note, for the word "demands" the word "dues" shall be substituted;

(2) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) Each of the property taxes shall be payable in advance in half yearly installments and other taxes and dues shall also be payable by the date as specified in a bill presented or served under sub-section (1).";

(3) after sub-section (2), the following sub-section shall be added, namely :—

"(3)(a) The amount of first half-yearly tax as specified in the bill which has been served as aforesaid shall be paid within three months from the date of service of the bill and for the second half-yearly tax as specified in the bill shall be paid before the 31st December of each year ; and if a person liable to pay tax does not pay the same as required as aforesaid, then he shall be liable to pay by way of penalty in addition to the amount of such tax or part thereof which has remained unpaid; a sum equal to two per cent. of such tax for each month or part thereof after the last date by which he should have paid such tax and shall continue to be liable to pay such penalty until the full amount as per the bill is paid :

Levy of  
penalty on  
unpaid  
amount of  
bill.

Provided that, if any property tax for which a bill is served under this Act before the date of commencement of the Bombay Provincial Municipal Corporations, the City of Nagpur Corporation, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships, the Maharashtra (Urban Areas) Protection and Preservation of Trees and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) (Amendment) Act, 2009 (hereinafter referred to as "the Amendment Act of 2009") has remained unpaid in full or in part, a person who has not paid such tax shall be liable to pay penalty as provided under this section, on and from the date of commencement of the said Amendment Act of 2009.

(b) If the other taxes or dues claimed in the bill are not paid by the date specified in the bill, the provisions of clause (a) shall *mutatis mutandis* apply to the amount which has so remained unpaid."

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X of  
2010.



71. For section 155 of the Nagpur Corporation Act, the following sections shall be substituted, namely :—

Substitution of section 155 of C.P. and Berar II of 1950.

“155. (1) If the sum due on account of any property tax remains unpaid after a bill for the same has been duly served under this Act upon the person primarily liable for the payment thereof and the said person be not the occupier for the time being of the premises in respect of which the tax is due, the Commissioner may serve a bill for the amount upon the occupier of the said premises, or, if there are two or more occupiers thereof, may serve a bill upon each of them for such portion of the sum due as bears to the whole amount due in the same ratio which the rent paid by such occupier bears to the aggregate amount of rent paid by them both or all in respect of the said premises.

When occupiers may be held liable for payment of property taxes.

(2) Notwithstanding anything contained in sub-section (1), on and from the date of adoption of capital value as the base for levy of property taxes under sub-section (2) of section 115A, but subject to the other provisions of this Act, the Commissioner may serve a bill for the amount of property tax on such occupier of the said premises, or, if there are two or more such occupiers thereof, may serve a bill on each of them for such portion of the sum due as bears to the whole amount of tax based on the capital value, due in the same ratio which the capital value, of such portion of the premises of the occupier or occupiers bears to the aggregate amount of the tax based on the capital value, in respect of the said premises.

(3) If the occupier or any of the occupiers fails within thirty days from the service of any such bill to pay the amount therein claimed, the said amount may be recovered from him in accordance with the provisions of this Act.

(4) No arrear of a property tax shall be recovered under this section from any occupier, who is not the owner, where such tax is due on account of any period for which the occupier was not in occupation of the premises on which the tax is assessed.

(5) If any sum is paid by, or recovered from, an occupier under this section, he shall be entitled to credit therefor in account with the person primarily liable for the payment of the same.

155A. Any person who is liable to pay amount of taxes or any other dues under this Act may avail himself of the facility of making payment thereof in any bank or to any agency specified by the Corporation in this behalf by giving a public notice in two leading newspapers in circulation within the area of jurisdiction of the Corporation; and the person availing himself of such facility shall be liable to pay such fees in respect thereof to such bank or agency, as the case may be, as may be determined by the Commissioner.”

Special provision for facility for payment of property taxes.

Amendment  
of section  
156 of C.P.  
and Berar II  
of 1950.

72. In section 156 of the Nagpur Corporation Act, in sub-section (1),—

(1) for the portion beginning with the words "notice of demand" and ending with the words "service of such notice" the words, brackets and figures "bill has been served under sub-section (1) of section 154," shall be substituted;

(2) for clause (a), the following clause shall be substituted, namely :—

"(a) does not pay the tax together with penalty, interest, fees or any other dues as required under the provisions of this Act to pay the same on or before the date specified in the bill;"

(3) clause (b) shall be deleted;

(4) in clause (c), for the word "demand" the word "claim" shall be substituted.

Amendment  
of section  
157 of C.P.  
and Berar II  
of 1950.

73. In section 157 of the Nagpur Corporation Act, the words, brackets and figures "sub-section (2) of section 155 or" shall be deleted.

Amendment  
of section  
160 of C.P.  
and Berar II  
of 1950.

74. In section 160 of the Nagpur Corporation Act, in sub-section (2), after the words "public auction" the words ", or by auction inviting sealed bids" shall be inserted.

Amendment  
of section  
162 of C.P.  
and Berar II  
of 1950.

75. In section 162 of the Nagpur Corporation Act, the words "notice or" shall be deleted.

Amendment  
of section  
163 of C.P.  
and Berar II  
of 1950.

76. In section 163 of the Nagpur Corporation Act, in sub-section (2), the words "except that it shall not be necessary to serve upon him any notice of demand" shall be deleted.

Amendment  
of section  
164 of C.P.  
and Berar  
II of 1950.

77. In section 164 of the Nagpur Corporation Act,—

(1) in sub-section (1), for the words, brackets and figures "notice of demand issued under sub-section (1) of section 155" the words, brackets and figures "claim made in the bill presented or served under sub-section (1) of section 154" shall be substituted;

(2) in sub-section (2), in clause (b), for the words "fifteen days" the words "twenty-one days" shall be substituted;

(3) after sub-section (2), the following sub-section shall be inserted, namely :—

"(2A) Where the appeal is not filed in accordance with the provisions of clauses (a) to (c) of sub-section (2), it shall be liable to be summarily dismissed."

78. In section 165 of the Nagpur Corporation Act, the proviso shall be deleted. Amendment of section 165 of C.P. and Berar II of 1950.

79. In section 351 of the Nagpur Corporation Act, after clause (c), the following clause shall be inserted, namely :—

“(c-i) by any other mode, including electronic media as the Commissioner may think fit, or”.

Amendment of section 351 of C.P. and Berar II of 1950.

80. In section 374 of the Nagpur Corporation Act, after the word “rent” the word “, penalty” shall be inserted. Amendment of section 374 of C.P. and Berar II of 1950.

81. In section 399 of the Nagpur Corporation Act, in the proviso, for the words and figures “Arbitration Act, 1940” the words and figures “Arbitration and Conciliation Act, 1996” shall be substituted. Amendment of section 399 of C.P. and Berar II of 1950.

X of  
1940.  
26 of  
1996.

82. In section 415 of the Nagpur Corporation Act, in clause (14),—

(1) in sub-clause (d), for the words “notices of demand” the word “warrant” shall be substituted ;

(2) in sub-clause (e), after the words “annual values” the words “or the capital values, as the case may be,” shall be inserted.

Amendment of section 415 of C.P. and Berar II of 1950.

83. In section 420 of the Nagpur Corporation Act, in sub-section (2), in clause (t), for the words “notices of demands” the word “warrants” shall be substituted. Amendment of section 420 of C.P. and Berar II of 1950.

84. For the removal of doubt it is hereby declared that all proceedings in connection with any assessment, reassessment, levy (including levy of penalty) and collection of any property tax levied on the basis of annual value or rateable value relating to any period whatsoever, immediately before the date determined by the Corporation under sub-section (2) of section 115A to adopt capital value to be the base for levy of property taxes shall, notwithstanding anything contained in this Act but save as otherwise expressly provided therein, be continued and dealt with under the Nagpur Corporation Act as if this Act has not been enacted. Removal of doubt.

## CHAPTER IV.

AMENDMENTS TO THE MAHARASHTRA MUNICIPAL COUNCILS,  
NAGAR PANCHAYATS AND INDUSTRIAL TOWNSHIPS ACT, 1965

Amendment  
of section  
105 of Mah.  
XL of 1965.

85. In section 105 of the Maharashtra Municipal Councils, Nagar Panchayats and Industrial Townships Act, 1965 (hereinafter, in this Chapter, referred to as the "Municipal Councils Act"),—

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XL of  
1965.

(1) in sub-section (1),—

(a) in clause (a), after the words "rateable value" the words "or their capital value, as the case may be," shall be inserted ;

(b) in the second proviso, after the words "property tax" the words "or all or any of the property taxes" shall be inserted ;

(2) after sub-section (2), the following sub-sections shall be added, namely :—

"(3) For the purposes of levy of property taxes, the expression "building" includes flat, a gala, a unit or any portion of building;

(4) Notwithstanding anything contained in any other provisions of this Act, the Council may pass a resolution to adopt levy of property tax on buildings and lands within the municipal area on the basis of capital value of the buildings and lands on and from such date, and at such rates, as the Council may determine in accordance with the provisions of this Act:

Provided that, for the period of five years from the date from which such property tax is levied on capital value, the tax shall not exceed,—

(i) in respect of building used for residential purposes, two times, and

(ii) in respect of building or land used for non-residential purposes, three times,

the amount of the property tax leviable in respect thereof in the year immediately preceding such date :

Provided further that, the property tax levied on the basis of capital value of any buildings or lands on revision made under sub-section (3) of section 114 shall not in any case exceed forty per centum of the amount of the property tax payable in the year immediately preceding the year of such revision :

Provided also that, for the period of five years commencing from the year of adoption of capital value as the base, for levy of property tax under this sub-section, the amount of property tax leviable in respect of a residential building or residential tenement, having carpet area of 46.45 sq. meters (500 sq. feet) or less, shall not exceed the amount of property tax levied and payable in the year immediately preceding the year of such adoption of capital value as the basis.

*Explanation.*—For the purposes of this section, after the Council adopts the capital value as the basis of levy of property tax, the property tax in respect of any taxable building shall be revised after every five years and on each such revision, such amount of property tax, shall not in any case exceed the forty per cent. of the amount of the property tax levied and payable in the year immediately preceding the year of the revision.

(5) Save as otherwise provided in this Act, it shall be lawful for the Council to continue to levy all or any of the property taxes or the consolidated tax on property on the basis of rateable value of lands and buildings until the Council adopts levy of any or all the property taxes or the consolidated tax on property on such lands and buildings on the basis of capital value thereof under sub-section (4)."

86. In section 112 of the Municipal Councils Act, in sub-section (1), in the proviso, in clause (a), after the words "such tax under" the words "the provisions of this Act or of" shall be inserted.

Amendment  
of section  
112 of Mah.  
XL of 1965.

87. In section 114 of the Municipal Councils Act,—

(1) in the marginal note, after the words "rateable value" the words "or the capital value" shall be inserted ;

Amendment  
of section  
114 of Mah.  
XL of 1965.

(2) after sub-section (2), the following sub-section shall be added, namely :—

"(3) (a) In order to fix the capital value of any building or land assessable to a property tax, the Chief Officer shall have regard to the value of any building or land as indicated in the Stamp Duty Ready Reckoner for the time being in force as prepared under the Bombay Stamp (Determination of True Market Value of Property) Rules, 1958, framed under the provisions of the Bombay Stamp Act, 1958, or where the Stamp Duty Ready Reckoner does not indicate value of any property in any particular area wherein a building or land in respect of which capital value is required to be determined is situate, or in case such Stamp Duty Ready Reckoner does not exist, then the Chief Officer may fix the capital value of any building or land taking into consideration the market value of such building or land, as a base value; and also have regard to the following factors, namely :—

(i) the nature and type of the land and structure of the building,

(ii) area of land or carpet area of building,

(iii) user category, that is to say, (a) residential, (b) commercial (shops or the like), (c) offices, (d) hotels (upto 4 stars), (e) hotels (more than 4 stars), (f) banks, (g) industries and factories, (h) school and college building or building used for educational purposes, (i) malls, and (j) any other building or land not covered by any of the above categories,

(iv) age of the building, or

(v) such other factors as may be specified by Regulations made under clause (b).

Bom.  
LX of  
1958.

(b) The Chief Officer shall, with the approval of the Standing Committee, frame such Regulations as respects the details of categories of building or land and the weightage by multiplication to be assigned to various such categories for the purpose of fixing the capital value under clause (a).

(c) The capital value of any building or land fixed under clause (a) shall be revised every five years :

Provided that, the Chief Officer may, for reasons to be recorded in writing, revise the capital value of any building or land any time during the said period of five years and shall accordingly amend the assessment list in relation to such building or land under section 123, or as the case may be, under section 124."

Amendment  
of section  
115 of Mah.  
XL of 1965.

**88.** In section 115 of the Municipal Councils Act,—

(1) in sub-section (1), for the words "the prescribed form" the words "such form as the Chief Officer may, with the approval of the Standing Committee, determine" shall be substituted ;

(2) in sub-section (2),—

(a) after the words "as shall be specified", the following shall be inserted, namely:—

"including the details in respect of any or all the factors as enumerated in items (i) to (v) of clause (a) of sub-section (3) of section 114 in relation to such land or building or of any portion thereof,";

(b) for the word "value" the words "rateable value or the capital value, as the case may be," shall be substituted.

Amendment  
of section  
122 of Mah.  
XL of 1965.

**89.** In section 122 of the Municipal Councils Act, in clause (i), after the words "on the basis" the words "of the rateable value or the capital value, as the case may be as" shall be inserted.

Amendment  
of section  
123 of Mah.  
XL of 1965.

**90.** In section 123 of the Municipal Councils Act,—

(1) in sub-section (1),—

(a) for the words "or reconstructed" the words "reconstructed, occupied or re-occupied or user thereof is changed" shall be inserted;

(b) after the words "has been completed" the words "or occupation or re-occupation or the change of user occurs" shall be inserted;

(2) after sub-section (2), the following sub-sections shall be inserted, namely :—

"(2A) Where any new building or part thereof is constructed, altered, added to, re-occupied or user thereof is changed, the person primarily liable for the property taxes assessed on the building shall within fifteen days give notice thereof, in writing, to the Chief Officer.

(2B) The said period of fifteen days shall be counted from the date of the completion of construction, alteration, addition to, reconstruction, or from the date of occupation, re-occupation or change of user of, the building or part thereof." ;

(3) in sub-section (3), after the words "whichever first occurs," the words "or in the case of a building or part of a building which was vacant or in respect of which there is change of user, on the day on which it has been occupied or re-occupied or the change of user occurs," shall be inserted.

91. In section 124 of the Municipal Councils Act, after sub-section (2), the following sub-section shall be added, namely:—

Amendment  
of section  
124 of Mah.  
XL of 1965.

"(3) On and from the date of adoption of capital value as the basis for assessment and levy of property taxes by the Council under sub-section (4) of section 105, the assessment on the basis of capital value determined in accordance with the provisions of this Act and the duration and revision thereof and matters incidental thereto shall be governed according to the provisions in relation to determination and revision of capital value and the assessment of the property tax made on the basis thereof."

92. In section 125 of the Municipal Councils Act, in sub-section (1), in clause (b), after sub-clause (iii), the following sub-clauses shall be inserted, namely:—

Amendment  
of section  
125 of Mah.  
XL of 1965.

"(iv) if the premises are held or occupied by a person, who is not the owner and the whereabouts of the owner of the premises cannot be ascertained, from the holder or occupier; and

(v) if the premises are held or developed by a developer or an attorney or any person in whatever capacity such person may be holding the premises and in each of whom the right to sell the same exists or is acquired, from such holder, developer, attorney, or person, as the case may be:

Provided that, such holder, developer, attorney or person shall be liable until the actual sale is effected."

93. In section 126 of the Municipal Councils Act,—

Amendment  
of section  
126 of Mah.  
XL of 1965.

(1) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) Notwithstanding anything contained in sub-section (1), on and from the date of adoption of capital value as the base for levy of property taxes under sub-section (4) of section 105, but subject to the other provisions of this Act, the Chief Officer may serve a bill for the amount of property tax on such occupier of the said premises, or, if there are two or more such occupiers thereof, may serve a bill on each of them for such portion of the sum due as bears to the whole amount of tax based on the capital value, due in the same ratio which the capital value, of such portion of the premises of the occupier or occupiers bears to the aggregate amount of the tax based on the capital value, in respect of the said premises."

(2) in sub-section (3), the words "which has remained due for more than one year, or" shall be deleted.

Amendment  
of section  
130 of Mah.  
XL of 1965.

94. In section 130 of the Municipal Councils Act,—

(1) in sub-section (1), after the words "as the case may be," the following shall be inserted, namely:—

"and shall be accompanied by such fees as the Chief Officer may, from time to time, with the approval of the Standing Committee, prescribe,";

(2) in sub-section (2), the word "Indian" shall be deleted;

(3) after sub-section (2), the following sub-section shall be added, namely:—

"(3) The transfer of title of any person primarily liable to the payment of property tax shall not be recorded by the Chief Officer in the assessment book unless the property taxes due in respect of the property sought to be transferred are fully paid before giving such notice."

Amendment  
of section  
150 of Mah.  
XL of 1965.

95. In section 150 of the Municipal Councils Act,—

(1) in the marginal note, after the word "payment" the words "or concession in tax" shall be added;

(2) after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Each of the property taxes shall be payable in advance in half yearly installments and other dues shall also be payable by the date as specified in a bill presented or served under sub-section (1)."

Insertion of  
sections  
150A and  
150B in  
Mah. XL of  
1965.

96. After section 150 of the Municipal Councils Act, the following sections shall be inserted, namely:—

Levy of  
penalty on  
unpaid  
amount of  
Bill.

"150A. (1) The amount of first half-yearly tax as specified in the bill which has been served as aforesaid shall be paid within three months from the date of service of the bill and for the second half-yearly tax as specified in the bill shall be paid before the 31st December of each year; and if a person liable to pay tax does not pay the same as required as aforesaid, then he shall be liable to pay by way of penalty in addition to the amount of such tax or part thereof which has remained unpaid, a sum equal to two per cent. of such tax for each month or part thereof after the last date by which he should have paid such tax and shall continue to be liable to pay such penalty until the full amount as per the bill is paid:



Mah. X of 2010. Provided that, if any property tax for which a bill is served under this Act before the date of commencement of the Bombay Provincial Municipal Corporations, the City of Nagpur Corporation, the Maharashtra Municipal Councils, *Nagar Panchayats* and Industrial Townships, the Maharashtra (Urban Areas) Protection and Preservation of Trees and the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) (Amendment) Act, 2009 (hereinafter in this section referred to as "the Amendment Act of 2009") has remained unpaid in full or in part, a person who has not paid such tax shall be liable to pay penalty as provided under this section, on and from the date of commencement of the said Amendment Act of 2009.

(2) If the other taxes or dues claimed in the bill are not paid by the date specified in the bill, the provisions of sub-section (1) shall, *mutatis mutandis*, apply to the amount which has so remained unpaid.

150B. Any person who is liable to pay amount of taxes or any other dues under this Act may avail himself of the facility of making payment thereof in any bank or to any agency specified by the Council in this behalf by giving a public notice in two leading newspaper in circulation within the area of jurisdiction of the Council and the person availing himself of such facility shall be liable to pay such fees in respect thereof to such bank or agency, as the case may be, as may be determined by the Council."

Special provision for facility for payment of property taxes.

97. Section 151 of the Municipal Councils Act shall be deleted.

Deletion of section 151 of Mah. XL of 1965.

98. For section 152 of the Municipal Councils Act, the following section shall be substituted, namely:—

Substitution of section 152 of Mah. XL of 1965.

"152. If the person to whom a bill is presented or served as provided under sub-section (1) of section 150 does not, before expiry of the period within which an appeal may be preferred against such claim, either—

When warrant may be issued.

(a) pay the tax, penalty, interest, fees and any other dues as required under the provisions before the date specified in the bill; or

(b) prefer an appeal in accordance with the provisions of section 169 against the claim,

then such sum with all costs of the recovery may be levied under a warrant signed by the Chief Officer in the form of Schedule V, or to the like effect, by distress and sale of the movable or immovable property of the defaulter :

Provided that, where any measures, precautionary or otherwise, have been taken in respect of any such property for the recovery of any sum claimed by the State Government, any proceeding under this Chapter in respect of such property shall abate."

- Amendment of section 156 of Mah. XL of 1965. **99.** In section 156 of the Municipal Councils Act, in sub-section (1),—
- (1) the word "notice", where it occurs for the first time, shall be deleted;
  - (2) for the word "notice", where it occurs for the second time, the word "bill" shall be substituted;
  - (3) after the words "public auction" the words "or by auction inviting sealed bids" shall be inserted.
- Amendment of section 159 of Mah. XL of 1965. **100.** In section 159 of the Municipal Councils Act, the words and figures "every notice issued under section 151," shall be deleted.
- Amendment of section 160 of Mah. XL of 1965. **101.** In section 160 of the Municipal Councils Act, in sub-section (2), the words "except that it shall not be necessary to serve upon the defaulter any notice of demand" shall be deleted.
- Amendment of section 161 of Mah. XL of 1965. **102.** In section 161 of the Municipal Councils Act, after the words "public auction" the words "or by auction inviting sealed bids" shall be inserted.
- Deletion of section 166 of Mah. XL of 1965. **103.** Section 166 of the Municipal Councils Act shall be deleted.
- Amendment of section 168 of Mah. XL of 1965. **104.** In section 168 of the Municipal Councils Act, in sub-section (4), for the words and figures "Chapter X of the Bombay Land Revenue Code, 1879" the words and figures "Chapter XI of the Maharashtra Land Revenue Code, 1966" shall be substituted. Bom. V of 1879. Mah. XLI of 1966.
- Amendment of section 169 of Mah. XL of 1965. **105.** In section 169 of the Municipal Councils Act, in sub-section (2A), after the words "rateable values" the words "or the capital values, as the case may be," shall be inserted.
- Amendment of section 170 of Mah. XL of 1965. **106.** In section 170 of the Municipal Councils Act,—
- (1) in clause (a), the proviso shall be deleted ;
  - (2) in clause (c),—
    - (a) in sub-clause (i), after the words, brackets and figure "sub-section (1)" the words, brackets and figure "or sub-section (2), as the case may be" shall be inserted;
    - (b) for sub-clause (ii), the following sub-clause shall be substituted, namely :—
 

"(ii) where the appeal is not filed in accordance with the provisions of section 169 and this section, it shall be liable to be summarily dismissed ;"

107. After section 171 of the Municipal Councils Act, the following section shall be inserted, namely :—

Insertion of section 171A in Mah. XL of 1965.

"171A. Where the decision of the Magistrate or Bench of Magistrates is not final by virtue of the provisions of section 171 which provides for revision by the Court, and in pursuance of this provision if a revision or any further proceedings is filed and is pending, then, notwithstanding anything contained in this Act, it shall be lawful for the Chief Officer to assess the property taxes, from year to year, on the basis of rateable value or the capital value, as the case may be, determined under the provisions of this Act, subject, however, to the provisions of sections 169 and 170."

Power of Chief Officer to make fresh assessment.

108. In section 301 of the Municipal Councils Act, in sub-section (1), in clause (d), after the words "rateable value" the words "or a capital value, as the case may be," shall be inserted.

Amendment of section 301 of Mah. XL of 1965.

109. In section 326 of the Municipal Councils Act, in sub-section (2), after clause (b), the following clause shall be inserted, namely:—

Amendment of section 326 of Mah. XL of 1965.

"(b-i) by any other mode, including electronic media as the Chief Officer may think fit; or"

110. In SCHEDULE IV to the Municipal Councils Act, shall be deleted.

Deletion of Schedule IV to Mah. XL of 1965.

111. In SCHEDULE V to the Municipal Councils Act,—

Amendment of Schedule V to Mah. XL of 1965.

(1) the words "and has not shown satisfactory cause for the non-payment of" shall be deleted;

(2) for the portion beginning with the words "fifteen days" and ending with the words "the same", the following shall be substituted, namely :—

"the sum so due has not been paid by the date specified in the bill presented to him for the same."

112. In SCHEDULE VI to the Municipal Councils Act, the words "of demand" shall be deleted.

Amendment of Schedule VI to Mah. XL of 1965.

113. For the removal of doubt it is hereby declared that all proceedings in connection with any assessment, reassessment, levy (including levy of penalty) and collection of any property tax levied on the basis of rateable value relating to any period whatsoever, immediately before the date determined by the Council under sub-section (4) of section 105 to adopt capital value to be the base for levy of property taxes shall, notwithstanding anything contained in this Act but save as otherwise expressly provided therein, be continued and dealt with under the Municipal Councils Act as if this Act has not been enacted.

Removal of doubt.

## CHAPTER V

## AMENDMENT TO THE MAHARASHTRA (URBAN AREAS)

## PROTECTION AND PRESERVATION OF

## TREES ACT, 1975

Amendment  
of section 18  
of Mah.  
XLIV of  
1975.

114. In section 18 of the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975,—

Mah.  
XLIV  
of  
1975.

(1) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Where under the relevant Act, an urban local authority is levying a property tax on buildings and lands on the Capital value thereof, the Tree Cess leviable under sub-section (1) shall be levied at such rate, not exceeding 0.5 per cent. of the capital value of such building and lands, as the State Government may, by notification in the *Official Gazette*, specify :

Provided that, the Tree Cess so levied under this section shall not exceed,—

(i) in respect of buildings used for residential premises, two times, and

(ii) in respect of buildings used for non-residential premises, three times,

the amount of Tree Cess leviable in respect thereof in the year immediately preceding such date of adoption of capital value as the basis for assessment of property tax:

Provided further that, for the period of five years commencing from the levy of capital value as the basis for assessment of property tax, the Tree Cess leviable in respect of residential building or tenements having carpet area of 46.45 sq. meters (500 sq. feet) or less, shall not exceed the amount of Tree Cess levied and payable in the year immediately preceding the year of such adoption of capital value as the basis.

*Explanation.*—For the purposes of this section, after the Urban local authority adopts the capital value as the basis for levy of property tax, the Tree Cess, in respect of any taxable building shall be revised after every five years and on each such revision, such amount of Tree Cess, shall not in any case exceed the forty per cent. of the amount of the Tree Cess levied and payable in the year immediately preceding the year of the revision.”

(2) in sub-section (2), for the word, brackets and figure "sub-section (1)" the words, brackets, figures and letter "sub-section (1A) or, as the case may be, under sub-section (1A)" shall be substituted.

## CHAPTER VI

### AMENDMENTS TO THE MAHARASHTRA TAX ON BUILDINGS (WITH LARGER RESIDENTIAL PREMISES) (RE-ENACTED) ACT, 1979.

Mah.  
XXIX  
of  
1979.

115. In section 2 of the Maharashtra Tax on Buildings (with larger Residential Premises) (Re-enacted) Act, 1979 (hereinafter, in this Chapters, referred to as "Tax on Buildings Act"), after clause (e), the following clause shall be inserted, namely :—

Amendment  
of section 2  
of Mah.  
XXIX of  
1979.

"(e-1) "capital value" means capital value of a building or part thereof fixed or determined in accordance with the provisions of the relevant municipal law ;"

116. In section 3 of the Tax on Buildings Act, after sub-section (3), the following sub-section shall be added, namely :—

Amendment  
of section 3  
of Mah.  
XXIX of  
1979.

"(4) Where, the Corporation has levied the property tax on the land and buildings on the basis of capital value under the provisions of the relevant municipal law, the tax shall be levied on all buildings or parts thereof situated in Corporation areas, containing any residential premises,—

(i) if, situated in area of Brihan Mumbai, the floorage of such premises is more than 125 square metres ;

(ii) if, situated in other Corporation area, the floorage of such premises is more than 150 square metres ;

at such rate not exceeding 0.05 per cent. of the capital value, as the State Government may, by notification in the *Official Gazette*, specify :

Provided that, where the property tax, on the basis of the capital value has been revised by the Corporation under the relevant municipal law, the tax levied under this Act shall not exceed forty per cent. of the tax payable in the year immediately preceding such revision."

