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THE ANDHRA PRADESH GAZETTE

PART IV-A EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 8] AMARAVATI, MONDAY, 17th AUGUST, 2026.

**ANDHRA PRADESH BILLS
ANDHRA PRADESH LEGISLATIVE ASSEMBLY**

The following Bill was introduced in the Andhra Pradesh Legislative Assembly on 17th August, 2026.

L. A. Bill No. 19 of 2026

**A BILL TO FURTHER AMEND THE MUNICIPAL CORPORATIONS ACT,
1955 AND THE ANDHRA PRADESH MUNICIPALITIES ACT, 1965**

Be it enacted by the Legislature of the State of Andhra Pradesh in the Seventy-seventh Year of the Republic of India as follows:-

1. (1) This Act may be called the Andhra Pradesh Municipal Laws (Third Amendment) Act, 2026. Short title and commencement.
(2) It shall come into force on such date as the Government may, by notification in the Andhra Pradesh Gazette, appoint.
2. In the Municipal Corporations Act, 1955, in section 208,- for sub-section (3), the following shall be substituted, namely, - Amendment of Section 208.
“(3) No such notice shall be deemed to be validly given unless the property taxes dues at the date of notice in respect of the premises to which it relates have been paid and unless such fee as may be time to time be fixed by the Government for the acceptance of such notice has been paid. Act No.II of 1956.
(4) Notwithstanding to the above, herein after,-
(a) for all the assessed properties which are recorded in online Property Tax Assessment Register at the time of transfer of

property by way of sale, gift, mortgage, partition or exchange or succession under a registered document, registration shall be taken up on payment of mutation fee and clearance of all the dues by the transferor and transferee, as the case may be.

- (b) Auto Mutation Certificate to be made available in the Online Property Tax Assessment Register to the transferee.
- (c) When a property to be registered is unassessed, a provisional assessment number shall be generated from the online, Property Tax Assessment Register. Final assessment number to be provided as per the procedure prescribed in the Rules.

Explanation - For the purposes of this section “Online Property Tax Assessment Register” means the digital platform created and maintained for the purposes of Levy and Collection of Property Tax.

Amendment of
Section 93.

Act No.6 of
1965.

- 3.** In the Andhra Pradesh Municipalities Act, 1965, in section 93, after sub-section (4), the following shall be added, namely, -

“(5) No such notice shall be deemed to be validly given unless the property taxes dues at the date of notice in respect of the premises to which it relates have been paid and unless such fee as may from time to time be fixed by the Government for the acceptance of such notice has been paid.

(6) Notwithstanding to the above, herein after, -

- (a) for all the assessed properties which are recorded in online Property Tax Assessment Register at the time of transfer of property by way of sale, gift, mortgage, partition or exchange or succession under a registered document, registration shall be taken up on payment of mutation fee and clearance of all the dues by the transferor and transferee, as the case may be.
- (b) Auto Mutation Certificate to be made available in the Online Property Tax Assessment Register to the transferee.
- (c) When a property to be registered is un-assessed, a provisional assessment number to be generated from the online Property Tax Assessment Register. Final assessment number to be provided as per the procedure prescribed in the Rules.

Explanation - For the purposes of this section “Online Property Tax Assessment Register” means the digital platform created and maintained for the purposes of Levy and Collection of Property Tax.”.

STATEMENT OF OBJECTS & REASONS

In the Andhra Pradesh Municipalities Act, 1965 or in the Municipal Corporations Act, 1955 enabling Urban Local Bodies (ULBs) there is no specific provision in to levy and collect a uniform Mutation Fee at the time of transfer of title in municipal records. Consequently, different ULBs in the State are following varying methodologies—such as fixed-rate slabs, percentage-based systems, and mixed models—for collection of Mutation Fees, resulting in wide non-uniformity and lack of standardization across the State.

The Government, after consultation with the Commissioner & Director of Municipal Administration (CDMA), observed that the absence of statutory backing for levy of Uniform Mutation Fee has created ambiguity. Further the variation in fee is affecting seamless integration with the Registration & Stamps Department, particularly in the implementation of Auto-Mutation through CARD 2.0/PRIMME platforms.

Hence, a uniform, legally supported Mutation Fee framework is necessary, and that such power should be explicitly provided under the relevant Municipal Acts.

Accordingly, it has been decided to amend the Municipal Corporations Act, 1955 and A.P. Municipalities Act, 1965 so as to —

- (a) provide statutory authority for levy and collection of Mutation Fees;
- (b) empower the Government to fix such fees from time to time;
- (c) prescribe uniform percentage-based rates across ULB categories;
- (d) facilitate system integration with Registration & Stamps Department for effective implementation of Auto-Mutation ;and
- (e) bring consistency, transparency, and uniformity across all ULBs in the State.

The Bill seeks to achieve the above objectives.

PONGURU NARAYANA

**Minister for Municipal Administration &
Urban Development**

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clauses 1(2), 2(4)(c) and 3(6)(c) of the Bill authorizes the Government to issue notification in respect of the matters specified therein and generally to carry out the purposes of the Act.

PONGURU NARAYANA

**Minister for Municipal Administration &
Urban Development**

**MEMORANDUM UNDER RULE 95 OF THE RULES OF PROCEDURE
AND CONDUCT OF BUSINESS IN THE ANDHRA PRADESH
LEGISLATIVE ASSEMBLY.**

The Andhra Pradesh Municipal Laws (Third Amendment) Bill, 2026, after it is passed by the Legislature of the State may be submitted to the Governor for his assent under Article 200 of the Constitution of India.

PONGURU NARAYANA

**Minister for Municipal Administration &
Urban Development**

PRASANNA KUMAR SURYADEVARA

Secretary-General to Legislature.