



**KARNATAKA LEGISLATIVE ASSEMBLY
SIXTEENTH LEGISLATIVE ASSEMBLY
SIXTH SESSION
THE KARNATAKA GRAM SWARAJ AND PANCHAYAT RAJ
(AMENDMENT) BILL, 2025
(LA Bill No. 18 of 2025)**

A Bill further to amend the Karnataka Gram Swaraj and Panchayat Raj Act, 1993;

Whereas, it is expedient further to amend the Karnataka Gram Swaraj and Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the seventy sixth year of the Republic of India, as follows:-

1. Short title and commencement.- (1) This Act may be called the Karnataka Gram Swaraj and Panchayat Raj (Amendment) Act, 2025.

(2) It shall come into force at once.

2. Insertion of new sections 199B and 199C.- After section 199A of Karnataka Grama Swaraj and Panchayath Raj Act, 1993 (Karnataka Act 14 of 1993) following sections shall be inserted, namely:-

“199B. Issuing new Khata or PID to the properties.- (1) Notwithstanding anything contained in this Act, prior approval of the layout plan by the jurisdictional Planning Authority shall be obtained by the Grama Panchayath or the authorities as designated by the Government by notification to issue new PID or khata for the building sites meant for the purposes of construction of building.

(2) In case, the Grama Panchayath areas falling under the jurisdiction of the Local Planning Area notified under the provisions of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963), the sanctioned layout plan shall be obtained from the jurisdictional planning authority under section 17 of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963) and no new PID or khata shall be issued without complying with the provisions of section 17 and sub-section (2-E) of the section 17 of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963).

(3) In case, the Grama Panchayath area is not covered under the jurisdiction of the Local Planning Area or the Planning Authority constituted under the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963), the sanctioned layout plan shall be obtained from the Director of Town and Country Planning or an officer not below the rank of Assistant Director, Town and country planning authorized by the director under sub-section (2) of section 4-K of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963), and no new PID or khata shall be issued by the concerned Authority without complying with the provisions of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963):

Provided that, if any officer or official or authority of the Grama Panchayath fails to comply with the said provisions of the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963) and issues new PID or khata to an unlawfully formed plot, the concerned officer or official or authority shall be liable for such penalty and punishment as may be prescribed.

199C. Taxes on building and unconverted land or converted land but unapproved layout in a revenue land.- (1) The Grama Panchayath may levy and collect the property tax from every building, vacant land or both, including a building constructed in violation of the provisions of Model building bye-laws or unconverted land or converted land but unapproved layout in a revenue land or from a building occupied without issuance of Occupancy or Completion certificate, only for the property created prior to the date of inception of this provision, except for the building constructed illegally on the Government land, forest land, land belonging to any local body, any statutory body or an organization owned or controlled by the Government. The property tax levied for such building or vacant site shall be double the tax payable for the first year and only the property tax shall be levied for the subsequent years, which shall be maintained in a separate register. No new property shall be entered in the register after the date of commencement of the Karnataka Grama Swaraj and Panchayath Raj (Amendment) Act 2025:

Provided that, levy and collection of property tax under this sub-section from such building or vacant land does not confer any right to regularize violation made, or title, ownership or legal status to such building or vacant land. The persons holding such building or vacant land shall always be liable for legal action for

violation of law, in accordance with the provisions of this Act or any other law for the time being in force.

(2) The Senior Panchayath Development Officer or Panchayath Development Officer shall maintain a record as specified in sub-section (1), which shall contain the details of the lawful buildings or vacant lands and unlawful buildings or vacant lands, which have been taxed under this section.

3. Power to remove difficulties.- (1) If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to it to be necessary for removing the difficulty:

Provided that, no such order shall be made under this section after the expiry of a period of two years from the date of commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each house of the State Legislature.

STATEMENT OF OBJECTS AND REASONS

It is considered necessary to amend the Karnataka Gram Swaraj and Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993) to,-

(i) bring in all assets under the purview of the rural local authorities under their network of financial resources;

(ii) extend the provisions of property tax to the premises and buildings in unauthorised settlements, other than Government land, and to unauthorized buildings in official settlements, as provided in the Karnataka Gram Swaraj and Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993); and

(iii) provided for penalty to the officers in case of non-compliance of the provisions of the said Acts.

Hence, the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

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| Clause -2 | empowers the State Government to make rules regarding penalty and punishment to the officers for non-compliance of the provisions of the Act. |
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PRIYANK KHARGE

Minister for Rural Development and
Panchayat Raj and Informantion
Technology and Bio Technology

M.K. VISHALAKSHI

Secretary
Karnataka Legislative Assembly