WHEREAS it is expedient further to amend the Mumbai Municipal Corporation Act, for the purposes hereinafter appearing; it is hereby enacted in the Sixty-ninth Year of the Republic of India as follows :—

1. This Act may be called the Mumbai Municipal Corporation (Second Amendment) Act, 2018.

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

RAJENDRA G. BHAGWAT,
I/c. Secretary (Legislation) to Government, Law and Judiciary Department.


A BILL

further to amend the Mumbai Municipal Corporation Act.
2. After section 144E of the Mumbai Municipal Corporation Act, the following section shall be inserted, namely:—

“144F. (1) Without prejudice to the provisions of this Act, the stamp duty leviable under the Maharashtra Stamp Act, on the instruments of sale, gift and usufructuary mortgage, respectively, of immovable property shall, in the case of any such instrument relating to immovable property situated in the area of Brihan Mumbai Municipal Corporation in which one or more Vital Important Urban Transport Projects (hereinafter in this section referred to as “City having notified projects”) and executed on or after such date as may be specified by the State Government, by notification in the Official Gazette, be increased by a surcharge at the rate of one per cent., in case of instrument of sale or gift, on the value of the property so situated and in case of an instrument of usufructuary mortgage, on the amount secured by the instrument as set forth in the instrument and shall be collected accordingly under the said Act.

(2) For the purposes of this section, section 28 of the Maharashtra Stamp Act shall be read and enforced as if, it specifically requires the particulars therein referred to be set forth separately in respect of the property situated in the City having notified projects.

(3) The State Government shall, every year, after due appropriation made by law in this behalf, pay to the Corporation or the agency which has undertaken the notified project, a grant-in-aid approximately equal to the amount of additional duty realized on account of surcharge levied and collected under this section in respect of the immovable properties situated in the City having notified projects and such grant-in-aid shall be utilised on such notified projects in the manner specified by the Government.

(4) The sum of money required to meet the expenditure by the State Government under sub-section (3), shall be charged on the Consolidated Fund of the State.

(5) The Government may, by notification in the Official Gazette, make rules to carry out the purposes of this section.

(6) All rules made under this section shall be subject to the condition of previous publication.

(7) 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 or more successive sessions, and if, before the expiry of the session in which it is so laid or the session or sessions 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.
Explanation.—For the purposes of this section, the term “notified project” means a Vital Important Urban Transport Project related to Mass Rapid Transport System such as Metro Rail, Mono Rail, Bus Rapid Transport System and includes Freeway, Sea-link, etc., in respect of which the State Government has, by notification in the Official Gazette, declared its intention to undertake such project either by itself or through the planning authority, a New Town Development Authority, and other statutory authority, an agency owned and controlled by the Central Government or the State Government or a Government Company incorporated under the provisions of the Companies Act, 2013 or any other law relating to companies for the time being in force.”.
STATEMENT OF OBJECTS AND REASONS.

The State Government recognises the need to implement Vital Important Urban Transport Projects related to Mass Rapid Transport System such as Metro Rail, Mono Rail, Bus Rapid Transport System including Freeways, Sea-link, etc. With a view to ensure that the Corporation or the agency, which has undertaken the notified Vital Important Urban Transport Project, has sufficient funds at its disposal for this purpose, it is considered expedient to levy a surcharge by way of the stamp duty leviable, on the instruments of sale, gift and usufructuary mortgage respectively of immovable property, in the area of the Brihan Mumbai Municipal Corporation where such Vital Important Urban Transport Projects are undertaken.

2. It is, therefore, considered expedient to amend the Mumbai Municipal Corporation Act (III of 1888), suitably, by incorporating therein a new section 144F, on the lines of section 149B of the Maharashtra Municipal Corporations Act (LIX of 1949).

3. The Bill seeks to achieve the above objectives.

Nagpur, Dated the 17th July 2018.

DEVENDRA FADNAVIS, Chief Minister.
MEMORANDUM REGARDING DELEGATED LEGISLATION

The Bill involves the following proposals for delegation of the legislative power, namely:

Clause 2.—This clause seeks to insert a new section 144F in the Mumbai Municipal Corporation Act (III of 1888),

\[(a)\] in sub-section (1) thereof, power is conferred on the State Government to specify, by notification in the *Official Gazette*, the date on or after which the instruments of sale, gift and usufructuary mortgage of immovable property, situated in Brihan Mumbai in which one or more Vital Important Urban Transport Projects are to be executed, may be charged with the increase in the stamp duty leviable under the Maharashtra Stamp Act (LX of 1958);

\[(b)\] in sub-section (5) thereof, power is conferred on the State Government to make rules, by notification in the *Official Gazette*, to carry out the purposes of said section 144F.

2. The above-mentioned proposals for delegation of legislative power are of normal character.
FINANCIAL MEMORANDUM

Clause 2 of the Bill seeks to insert a new section 144F in the Mumbai Municipal Corporation Act. It provides that the State Government shall, after due appropriation every year, pay to the Corporation of the City in which one or more Vital Important Urban Transport Projects are undertaken, a grant-in-aid approximately equal to the amount of surcharge levied and collected in respect of execution of instruments for sale, gift and usufructuary mortgage of immovable property. It further provides that the sum required for this purpose shall be charged on the Consolidated Fund of the State.

The amount to be paid as grant-in-aid will depend upon the levy of surcharge collected. As such the amount of grant-in-aid cannot be ascertained at this stage.