
A BILL

further to amend the Mumbai Municipal Corporation Act,
the Maharashtra Education and Employment Guarantee (Cess)
Act, 1962 and the Maharashtra (Urban Areas) Protection and

WHEREAS both Houses of the State Legislature were not in session;
AND WHEREAS the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate
III of action further to amend the Mumbai Municipal Corporation Act, the
1888.

(1)
Maharashtra Education and Employment Guarantee (Cess) Act, 1962 and
the Maharashtra (Urban Areas) Protection and Preservation of Trees Act,
1975, for the purposes hereinafter appearing; and, therefore, promulgated
the Mumbai Municipal Corporation, Maharashtra Education and Employment
Guarantee (Cess) and Maharashtra (Urban Areas) Protection and
Preservation of Trees (Amendment) Ordinance, 2022 on the 2nd February
2022;

AND WHEREAS, it is expedient to replace the said Ordinance, by an
Act of the State Legislature; it is hereby enacted in the Seventy-third Year
of the Republic of India as follows:—

CHAPTER I
PRELIMINARY.

1. (1) This Act may be called the Mumbai Municipal Corporation,
Maharashtra Education and Employment Guarantee (Cess) and Maharashtra

(2) It shall be deemed to have come into force on the 2nd February
2022.

CHAPTER II
AMENDMENT TO THE MUMBAI MUNICIPAL CORPORATION ACT.

2. In section 140 of the Mumbai Municipal Corporation Act,—

(a) in sub-section (1), in clause (c), the proviso and Explanation shall
be deleted and shall be deemed to have been deleted with effect from the
1st January 2022;

(b) after sub-section (1), the following sub-section shall be inserted
and shall be deemed to have been inserted with effect from the 1st January
2022, namely:—

“(IA) Notwithstanding anything contained in this section or any
other provisions of the Act, from the 1st January 2022, the Corporation
shall not levy any tax component of property tax specified in sub-section
(1) of section 139A, on the residential buildings or residential tenements,
having carpet area of 46.45 sq. meter (500 sq. feet) or less.”.

CHAPTER III
AMENDMENT TO THE MAHARASHTRA EDUCATION AND
EMPLOYMENT GUARANTEE (CESS) ACT, 1962.

3. After section 7 of the Maharashtra Education and Employment
Guarantee (Cess) Act, 1962, the following section shall be inserted and shall
be deemed to have been inserted with effect from the 1st January 2022,
namely:—
7A. Notwithstanding anything contained in section 4 or any other provisions of the Act or any other law for the time being in force, from the 1st January 2022, the Municipal Corporation of Brihan Mumbai shall not levy and collect the education cess specified in section 4, in the Municipal Corporation of Brihan Mumbai area, on the residential buildings or residential tenements, having carpet area of 46.45 sq. meter (500 sq. feet) or less.”.

CHAPTER IV

AMENDMENT TO THE MAHARASHTRA (URBAN AREAS) PROTECTION AND PRESERVATION OF TREES ACT, 1975.

4. In section 18 of the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975, after sub-section (1B), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st January 2022, namely:

“(1B-1) Notwithstanding anything contained in sub-sections (1) and (1A) or any other provisions of the Act or any other law for the time being in force, from the 1st January 2022, the Municipal Corporation of Brihan Mumbai shall not levy and collect the Tree Cess specified in sub-section (1), in the Municipal Corporation of Brihan Mumbai area, on the residential buildings or residential tenements, having carpet area of 46.45 sq. meter (500 sq. feet) or less.”.

CHAPTER V

MISCELLANEOUS.

5. (1) The Mumbai Municipal Corporation, Maharashtra Education and Employment Guarantee (Cess) and Maharashtra (Urban Areas) Protection and Preservation of Trees (Amendment) Ordinance, 2022, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken (including any notification or order issued) under the corresponding provisions of the Mumbai Municipal Corporation Act, the Maharashtra Education and Employment Guarantee (Cess) Act, 1962 and the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975, as amended by the said Ordinance, shall be deemed to have been done, taken or, as the case may be, issued under the corresponding provisions of the relevant Acts, as amended by this Act.
STATEMENT OF OBJECTS AND REASONS

Section 140 of the Mumbai Municipal Corporation Act (III of 1888) provides for levy of property tax which includes water tax, water benefit tax, sewerage tax, sewerage benefit tax, general tax, education cess, street tax and betterment charges; section 4 of the Maharashtra Education and Employment Guarantee (Cess) Act, 1962 (Mah. XXVII of 1962), provides for levy and collection of education cess; and section 18 of the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975 (Mah. XLIV of 1975), provides for levy and collection of Tree Cess.

2. Since most of the small residential tenements or residential buildings in the Municipal Corporation of Brihan Mumbai area are being developed under the various schemes of the State Government and the Municipal Corporation, many people living in slum area are shifted in permanent houses, occupying small residential tenements or residential buildings having carpet area of 46.45 sq. meter (500 sq. feet) or less. Due to the current rising inflation, the increased property taxes levied by the Municipal Corporation of Brihan Mumbai are not affordable to the people residing in such houses. Also due to Covid-19 pandemic, many businesses in the Mumbai city has been closed and many people lost their jobs and sources of livelihood. Therefore, it is difficult for the people to pay the property tax. There is consistent demand from the people to exempt the residential area of 46.45 sq. meter (500 sq. feet) or less from the property tax.

The Municipal Corporation of Brihan Mumbai has also passed a resolution, for not to levy property tax on such small residential buildings or residential tenements. Therefore, it was, considered expedient to amend section 140 of the Mumbai Municipal Corporation Act and section 18 of the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975 and to insert new section 7A in the Maharashtra Education and Employment Guarantee (Cess) Act, 1962, so as to provide that, from the 1st January 2022, Municipal Corporation of Brihan Mumbai shall not levy any tax component of property tax, on the residential buildings or residential tenements, having carpet area of 46.45 sq. meter (500 sq. feet) or less.

3. As both Houses of the State Legislature were not in session and the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Mumbai Municipal Corporation Act, the Maharashtra Education and Employment Guarantee (Cess) Act, 1962 and the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975, for the purposes aforesaid, the Mumbai Municipal Corporation, Maharashtra Education and Employment Guarantee (Cess) and Maharashtra (Urban Areas) Protection and Preservation of Trees (Amendment) Ordinance, 2022 (Mah. Ord. I of 2022), was promulgated by the Governor of Maharashtra on the 2nd February 2022.

4. The Bill is intended to replace the said Ordinance by an Act of the State Legislature.

Mumbai,  
Dated the 2nd March, 2022.  
Minister for Urban Development.

EKNATH SHINDE,
FINANCIAL MEMORANDUM

Clauses 2, 3 and 4 of the Bill proposes to amend section 140 of the Mumbai Municipal Corporation Act and section 18 of the Maharashtra (Urban Areas) Protection and Preservation of Trees Act, 1975 and to insert new section 7A in the Maharashtra Education and Employment Guarantee (Cess) Act, 1962, so as to provide that, from the 1st January 2022, Municipal Corporation of Brihan Mumbai shall not levy any tax component of property tax, on the residential buildings or residential tenements, having carpet area of 46.45 sq. meter (500 sq. feet) or less. Thus there is no provision in the Bill which would involve the recurring or non-recurring expenditure from the Consolidated Fund of the State on its enactment as an Act of the State Legislature.

Vidhan Bhavan:
Mumbai,
Dated the 7th March 2022.

RAJENDRA BHAGWAT,
Principal Secretary,
Maharashtra Legislative Assembly.