

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013
(BHDR 29, 1935 SAKA)

DEPARTMENT OF LEGAL AND LEGISLATIVE AFFAIRS, PUNJAB

NOTIFICATION

The 20th September, 2013

No. 48-Leg./2013.-The following Ordinance of the Governor of Punjab promulgated under clause (1) of article 213 of the Constitution of India on the 20th Day of September, 2013, is hereby published for general information :

THE PUNJAB MUNICIPAL CORPORATION (SECOND

AMENDMENT) ORDINANCE, 2013

(Punjab Ordinance No. 11 of 2013)

AN

ORDINANCE

Further to amend the Punjab Municipal Corporation Act, 1976.

Promulgated by the Governor of Punjab in the Sixty-fourth Year of the Republic of India.

Whereas the Legislative Assembly of the State of Punjab is not in session and the Governor is satisfied that circumstances exist, which render it necessary for him to take immediate action;

Now, therefore, in exercise of the powers conferred by clause (I) of article 213 of the Constitution of India, the Governor of Punjab is pleased to promulgate the following Ordinance, namely:-

Short title and commencement

1. (1) This Ordinance may be called the Punjab Municipal Corporation (Second Amendment) Ordinance, 2013.

(2) It shall be deemed to have come into force on and with effect from the first day of April, 2013.

Amendment in section 2 of Punjab Act 42 of 1976

2. In the Punjab Municipal Corporation Act, 1976 (hereinafter referred to as the principal Act), in section 2,

(A) Clause (1) and clause (6-A) shall be omitted;

(B) After clause (7), the following clause shall be inserted, namely:-

(7-A) "Competent authority" means the Assistant Commissioner or the Additional Commissioner or the Joint Commissioner of the Corporation, as the case may be, dealing with the matters relating to tax on land and buildings;"

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

(C) After clause (24), the following clause shall be inserted, namely:-

"(24-A) "market value" means the minimum value of the land prevailing on the first January of the preceding financial year as fixed by the Collector under rule 3-A of the Punjab Stamp (Dealing of undervalued Instruments) Rules, 1983;"

(D) After clause (30), the following clause shall be inserted, namely:-

(30-A) "non-residential building" means a building which is being used for the purposes of business, profession, trade; industry, institution or any other commercial activities;"

(E) For clause (46), the following clause shall be substituted, namely:"

(46) "rateable value" means the value of any land or building fixed in accordance with the provisions of section 93 for the purpose of assessment of tax on land and building;"

(F) for clause (48-A), the following clause shall be substituted, namely:"

(48-A) "residential building" means any building which is being used exclusively for residential purposes;"

(G) clauses (56-A) and (59-A) shall be omitted;

(H) in clause (66) for the sign and words "; and" appearing at the end, the sign "." shall be substituted; and

(I) clause (67) shall be omitted.

Amendment in
Punjab Act 42 of
1976

3. In the principal Act, for the words "total unit value", wherever occurring, the words "rateable value" shall be substituted.

Amendment in
section 90 of
Punjab Act 42 of
1976.

4. In the principal Act, in section 90, for sub-section (3-A), the following sub-section shall be substituted, namely:-

"(3-A) Notwithstanding anything contained in this Act and subject to any general or special orders which the Government may make in this behalf, and to the rules, a Corporation may, from time to time for the purposes of this Act, and in the manner directed by this Act, impose in the whole or any part of the City a tax payable by the owner on building and land to be calculated as per the provisions of section 97:-

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

Provided that in the case of building and land occupied by tenants in perpetuity, the tax shall be payable by such tenants:

Provided further that no tax shall be imposed on building and land, exclusively used for-

- (i). religious purposes, religious rites, religious ceremonies, religious festivals;
- (ii). cremation grounds, burial grounds;
- (iii). gaushalas, stray animal care centers;
- (iv). historical and heritage buildings, so notified by the State Government, Central Government or United Nations Educational, Scientific and Cultural Organization;
- (v). registered charitable and philanthropic organizations exempt from payment of the tax under the Income Tax Act, 1961 (Central Act No. 43 of 1961);
- (vi). the building and land owned and used by the Corporation;
- (vii). the building and land used for Schools and Colleges owned or aided by the Government;
- (viii). the building and land of Hospitals or Dispensaries owned by the Government;
- (ix). parking space (only in respect of multi-storey flats/buildings); and
- (x). land used for agricultural or horticultural purposes:

Provided further that the building and land owned by the following categories of persons shall be exempted from the imposition of tax to the extent indicated against each:

Serial No.	Category of persons	Extent of exemption
1	Widows	Five thousand rupees per Financial year.
2	Freedom Fighters who are receiving pension as such from the Central Government or the State Government or both, as the case may be	Full

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

3	Handicapped persons, who are as if being assesses entitled for the time being to the benefits of deduction under section 80 U of the Income Tax Act, 1961	Five thousand rupees per financial year.
4	Persons living below poverty line who possess the requisite card, issued by the competent authority, in support thereof	Full

Provided further that all educational institutions, other than Governmental and Government Aided shall be exempted from annual tax to the extent of fifty per cent of the tax assessed."

Substitution of section 93 of Punjab Act 42 of 1976.

5. In the principal Act, for section 93, the following section shall be substituted, namely

"93. Subject to the rules, if any, made by the Government in this behalf, the rateable value of any land or building assessable to tax under sub-section (3-A) of section 90 shall be,-

(a) in the case of building or land which is in the occupation of a tenant, the gross annual rent at which the land or building has actually been let:

Provided that in the event of increase in the rent, the rateable value shall include the corresponding increase in rent as well:

Provided further that where the building or land has been let by owner to any of his relations, and the Competent authority is of the opinion that the rent fixed does not represent the true rent, the rent fixed under the agreement of lease shall not be taken into consideration and the rateable value shall be determined in accordance with the principles contained in sub-clause (b);

(b) in the case of building or land, Which is occupied by the owner, the rateable value shall be,-

- (i) five per cent of the present market value of the land; and
- (ii) five per cent of the cost of erecting the building less ten per cent depreciation:

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

Provided further that the calculation of market value in the case of multi-storey buildings, group housing buildings or such like other buildings shall be made in the manner as may be prescribed.

Explanation:- For the purposes of clause (b), 'cost of erecting the building' shall be calculated at the following rates:

- (i). Five hundred rupees per square feet in respect of Pucca (cemented bricks walled and load bearing roof) structure;
- (ii). Three hundred rupees per square feet in respect of Semi Pucca (cemented brick walled. or non-cemented bricks walled but non-load bearing roof) structure;
- (iii). One hundred rupees per square feet in respect of Kacha (non-cemented or non-brick walled and non-load bearing roof) structure:

Provided that the rates of calculation, referred to above shall be subject to revision by the Government after every five years.

(c) any land on which no building has been erected but on which a building can be erected and any land on which a building is in the process of erection, the rateable value shall be fixed at five per cent of the market value of such land."

Substitution of
section 97 of
Punjab Act 42 of
1976.

6. In the principal Act, for section 97; the following section shall be substituted, namely:

Incidence of
taxes on land
and buildings

"97. (1) The tax payable on land and buildings shall be leviable as under:

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

Serial No.	Category of building	Rate of tax
1.	Self occupied residential building	(i) Fifty rupees in case land area is fifty square yards or below, having covered area not more than 450 square feet; (ii) One hundred and fifty rupees in case land area is one hundred square yards or below, having covered area not more than 900 square feet; iii) Half per cent of the rateable value in case the land area is fifty square yards or below OR one hundred square yards or below, but the covered area exceeds the stipulation indicated in (i) and (ii) above; (iv) Half per cent of the rateable value, in case the land area is five hundred square yards or below; and (v) One per cent of the rateable value, in case the land area is more than five hundred square yards;
2	Residential building under the occupation of tenant(s)	Seven and half per cent of the rateable value;
3	Self occupied non-residential building	Three per cent of the rateable value;
4	Non-residential building under the occupation of tenant(s)	Ten per cent of the rateable value:

Provided that if the land is vacant or the building is unproductive, the rate of tax shall be 0.20 per cent of the rateable value:

Provided further that the owner or the occupier, as the case may be, shall be at liberty to pay the tax on building and/or land as per the calculations -to be made in accordance with the provisions of either the principal Act as amended by the Punjab Municipal Corporation (Second Amendment) Act, 2012 (Punjab Act No. 7 of 2013) or the Punjab Municipal Corporation (Second Amendment) Ordinance, 2013, as he deems fit.

(2) For the building and land, which were not subject to tax prior to the commencement of the Punjab Municipal Corporation (Second Amendment) Act, 2012 (Punjab Act No. 7 of 2013), if the tax for the period from 15th day of November, 2012 to the date of commencement of the Punjab Municipal

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

Corporation (Second Amendment) Ordinance, 2013, has not been paid, the same shall not be recovered:

Provided that if such tax has been paid, the same shall be adjusted in the assessment of tax for the year 2013-14."

Omission of
section 98 of
Punjab Act
42 of 1976

7. In the principal Act, section 98 shall be omitted.

Substitution of
section 101 of
Punjab Act 42
of 1976

8. In the principal Act, for section 101, the following section shall be substituted, namely:-

Preparation of property list. "101.(1) For the purposes of collection and up dation of data, Corporation shall, after getting the survey conducted or through any other manner, cause a property list of all lands and buildings in the City on which any tax is imposed to be prepared, containing the following particulars, namely:-

- (a) the name of the street or division in which the property is situated;
- (b) designation of the property, either by name or by number sufficient for identification; and
- (c) the name of the owner or occupier, if known.

(2) . The property list, prepared under sub-section (I), shall be kept in the office of the Commissioner, or as the case may be, the officer authorized by him in this behalf, for record.

Explanation:- It is hereby clarified that the property list prepared under this section shall have no evidentiary valude."

Omission of
Section 102 of
Punjab Act 42
of 1976

9. In the principal Act, for section 102, the following section shall be omitted.

Omission of
Section 103 of
Punjab Act 42
of 1976

10. In the principal Act, for section 103, the following section shall be substituted, namely:

"103.(1) The Commissioner may, at any time, amend the property list,
Amendment of
Property List

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

- (a) By inserting therein the name of any person whose name ought to be inserted; or
- (b) By inserting therein any land or building previously omitted; or
- (c) By striking out of the name of any person not liable for the payment of taxes on land and buildings; or
- (d) By inserting or altering an entry' in respect of any building erected, re-erected, altered or added to, after the preparation of the property list.

(2) Before making any amendment under sub-section (1), the Commissioner shall give to any person affected by the amendment, notice of not less than one month that he proposes to make the amendment and consider any objections which may be made by such person."

Omission of
Section 104 of
Punjab Act 42
of 1976

11. In the principal Act, section 104 shall be omitted.

Amendment in
Section 105 of
Punjab Act 42
of 1976

12. In the principal Act, in section 105, in sub-section (5), for the words "assessment list", the words "property list shall be substituted.\

Omission of
Section 108 &
109 Punjab
Act 42 of 1976

13. In the principal Act, sections 108 and 109 shall be omitted.

Omission of
Section 110 of
Punjab Act 42
of 1976

14. In the principal Act, for section 110, the following section shall be substituted,

"110. If any land or building, bearing two or more municipal numbers, or portions thereof, be amalgamated into one or more new premises, the Commissioner shall on such amalgamation assign to them one or more numbers accordingly."

Omission of
Section 111
& 112 Punjab
Act 42 of 1976

15. In the principal Act, sections 111 and 112 shall be omitted.

Omission of
Section 112-A
of Punjab Act
42 of 1976

16. In the principal Act, for section 112-A, the following sections shall be substituted, namely:

"112-A. (1) Notwithstanding anything contained in this Act, every Self Assessment Owner and occupier, as the case may be, shall calculate of tax on land and building

the tax on land and building himself in accordance with the provisions of sub-section (3-A) of section 90 in the Form, as may be specified by the Government, and shall file the same to the Corporation by the 31st December of the relevant financial year.

(2) On the basis of calculation as made under sub-section (1), the owner or occupier shall deposit the amount of tax in the head of account of the Corporation on or before the 31st December of the relevant financial year:

Provided that if the aforesaid amount of tax is fully paid on or before the 30th September of the relevant financial year, a rebate of ten per cent of the amount of tax so calculated may be claimed.

(3) Where the tax calculated under sub-section (1), is not fully paid by the 31st December of the relevant financial year as aforesaid and is paid on or before the 31st March of that financial year, a penalty of twenty five per cent of the remaining amount of tax so calculated by him shall be payable:

Provided that if the aforesaid tax is not fully paid by the 31st March of the relevant financial year, in addition to any action contemplated under the Act, every owner or occupier, as the case may be, shall be liable to pay penalty at the rate of fifty per cent on the amount of tax unpaid plus interest at the rate of eighteen per cent per annum to be calculated with effect from the first April of the next financial year upto the date the payment of such amount of tax is made.

(4) If no return is filed or wrong particulars are given in the return filed under sub-section (1), the owner or the occupier, as the case may be, shall be liable to pay the penalty and the interest in the manner provided under subsection (3), in addition to any action contemplated under the Act.

112-B. (1) Notwithstanding anything contained in this Chapter, where
Scrutiny the Competent Authority is satisfied that any property has been erroneously valued or assessed through fraud,

accident or mistake by the owner or the occupier, as the case may be, he may, after giving opportunity of being heard to the person concerned and after making such enquiry, as he may deem fit, pass an order amending the assessment already made and fixing the amount of tax payable for that property and on the issue of such an order, the assessment then filed

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

shall, subject to the order, if any, passed in appeal, be deemed to have been amended accordingly in the relevant financial year.

(2) For the purposes of sub-section (1), if it is necessary or expedient, the Competent Authority may, after giving twenty four hours notice to the occupier, or, if there be no occupier, to the owner, of any building or land at any time between sunrise and sunset, enter, inspect and measure any building or land.

112-C. (1) Any person, aggrieved with the decision(s), made under sub-section (4) of section 112-A, or section 112 B may file an appeal within a period of thirty days before the Commissioner, who, after affording an opportunity, of hearing to the parties, shall pass an order, in writing, within a period of thirty days.

(2) No appeal shall be entertained under sub-section (1), unless the amount of tax is paid.

(3) If an order under sub-section (1) modifies the decision in appeal, the Competent Authority may file an appeal to the Principal Secretary or Secretary, Department of Local Government within a period of thirty days of such order, who shall pass an order, in writing, as he deems fit in the matter, within a period of thirty days of filing of such appeal, and the order passed in appeal shall be final.

(4) No stay shall be granted against the orders appealed against under sub-section (1)."

Substitution of
Section 138 of
Punjab Act 42
of 1976

17. In the principal Act, section 138 shall be substituted, namely:-

"138. Any sum due on account of tax payable under this Act may be recovered, together with costs of recovery, through the following process by the competent authority,-

- (a) By service of writ of demand on the defaulter;
- (b) By distraint and sale of a defaulter's movable property;
- (c) By the attachment and sale of defaulter's immovable property;
- (d) In the case of octroi and toll, by the seizure and sale of goods and vehicles; and

PUNJAB GOVT. GAZ. (EXTRA), SEPTEMBER 20, 2013 (BHDR
29, 1935 SAKA)

- Omission of Section 140, 141, 142 & 143 of Punjab Act 42 of 1976
- (e) in the case of taxes on land and buildings, by the attachment of rent due in respect of the property or any other property owned by the defaulter. "
18. In the principal Act, sections 140, 141, 142 and 143 shall be omitted.
- Substitution of Section 144 of Punjab Act 42 of 1976
19. In the principal Act, for section 144, the following section shall be substituted namely:-
- "144. No land, building or tenement shall be deemed vacant if What buildings etc, are to be deemed vacant maintained as a pleasure resort or town or house or be deemed unproductive of rent if let to the tenant. Who has a continuing right of occupation thereof, whether he is in actual occupation or not."
- Omission of Section 145 of Punjab Act 42 of 1976
20. In the principal Act, section 145 shall be omitted.
- Substitution of Section 146 of Punjab Act 42 of 1976
21. In the principal Act, in section 146, in sub-section (1), for the words "the levy or assessment of any tax", the words and sign "the levy or assessment of any tax, other than tax on building and land" shall be substituted.
- Substitution of Section 430 of Punjab Act 42 of 1976
22. In the principal Act, section 430 shall be numbered as sub-section (1) thereof, and after sub-section (1), as so re-numbered, the following sub-sections shall be inserted, namely:"
- (2) If any difficulty arises in giving effect to the provisions of the Punjab Municipal Corporation (Second Amendment) Ordinance, 2013, the Government may, by an 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 expedient for removing that difficulty:
- Provided that no order shall be made under this sub-section after the expiry of a period of two years from the date of publication in the Official Gazette the Punjab Municipal Corporation (Amendment) Ordinance. 2013.
- (3) Every order made under sub-section (2) shall be laid, as soon as may be, after it is made before the Legislative Assembly."
- Omission of THE FOURTH SCHEDULE of 1976
23. In the principal Act, THE FOURTH SCHEDULE shall be omitted.

SHIVRAJ V. PATIL,
Governor of Punjab.

H.P.S. MAHAL,
Secretary to Government of Punjab,
Department of Legal and Legislative Affairs.