

## **BOMBAY FINANCE ACT, 1932**

**2 of 1932**

**[30th March, 1932]**

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## **BOMBAY FINANCE ACT, 1932**

**2 of 1932**

**[30th March, 1932]**

An Act to amend the Court-fees Act, 1870 (VII of 1870), and the Indian Stamp Act, 1899 (11 of 1899), In their application to the Province of Bombay, to provide for the levy of a tax on immovable property in certain urban areas to provide for the levy of a tax on advertisements in news papers), and to amend the Bombay Entertainments Duty Act, 1923 (Bom 1 of 1923), and the Bombay Betting Tax Act, 1925 (Bom. VI of 1925)]. WHEREAS It is expedient to amend the Court-fees Act, 1870 (Central Act VII of 1870), and the Indian Stamp Act, 1899 (11 of 1899), in their application to the province of Bombay, for the purposes hereinafter appearing, to provide for the levy of a tax on immovable property in certain urban areas, to provide for the levy of a tax on advertisements in newspapers] and to amend the Bombay Entertainments Duty Act, 1923 (1 of 1923), and the Bombay Betting Tax Act, 1925 (VI of 1925) for the purposes hereinafter appearing): It is hereby enacted as follows:-

### PART 1

Preliminary

#### **1. Short title :-**

This Act may be called the Bombay Finance Act, 1932.

#### **2. Extent and commencement and duration. :-**

(2) It shall come Into force on the 1st day of April, 1932.

#### **2A. . :-**

<sup>1</sup> [x x x].

1. Repealed by Bombay 36 of 1959.

PART 2

Electricity Duty

PART 3

Court-fees

PART 4

Stamp Duties

PART 5

Stamp duties on certain instruments in certain cities and urban areas

PART 6

Urban Immovable Property tax

**20. Extent of Part VI :-**

This Part extends to- .

**21. Definitions :-**

Unless there is anything repugnant In the subject or context-

(3) "Urban Immovable Property tax" means a tax leviable under the provisions of section 22:

(4) "Municipality" includes a Notified Area Committee;

(5) "Municipal area" means an area within the limits of a municipality:

(6) "prescribed" means prescribed by rules:

(8) "Rules" means rules made under section 29.

**22. Levy of Urban Immovable Property tax :-**

There shall, subject to the provisions of section 23, be levied and paid to the State Government a tax on buildings and lands, hereinafter called the "Urban Immovable Property tax" at <sup>1</sup>[such rate not exceeding seven per cent of the annual letting value of the buildings or lands in such area or areas as may be notified by the State Government in the Official Gazette]: Provided that- <sup>2</sup>[(1) such tax shall be levied and paid to the State Government at such rate not exceeding three and half per cent of the annual letting value of the buildings or lands not exceeding such amount and in such area or areas as may be specified by the State Government by notification In the Official Gazette); <sup>3</sup>1(2)1 that if any building consists of more than one tenement and such tenements are separately assessed to the property tax, the urban immovable property tax shall be assessed on the annual letting value of the building as a whole: (3) where more than one building or land in

the same locality is <sup>4</sup>[owned by the same person), the urban immovable property tax shall be assessed on the annual letting value of all such buildings or lands]: <sup>1</sup> [(4) If any building owned by a Co-operative Housing Society or the members thereof consists of more than one tenement, the urban Immovable property tax shall be assessed on the annual letting value of the tenement or tenements owned by, or occupied by each member separately as if It were a building whether such tenement or tenements are separately assessed to the property tax or not.]

1. Delete by Gujarat A. O. 1960.
2. Substituted by Gujarat A. O. 1960.
3. Delete by Gujarat A. O. 1960.
4. Substituted by Gujarat A. O. 1960.

**22A. Powers of State Government to withdraw provisions of this Part from any area :-**

<sup>1</sup> In respect of any area notified under section 22, the State Government may, by notification In the Official Gazette, direct in that section 22 and other provisions of this part shall cease to be in force in such area with effect from such date as may be specified in the notification and thereupon Section 7 of the Bombay General Clauses Act, 1904 (Bom. 1 of 1904), shall apply to such censer as If such censer were a repeal of an enactment by a Gujarat Act.]

1. Delete by Gujarat A. O. 1960.

**23. Exemption of certain buildings and lands from the levy of Urban Immovable Property tax :-**

The Urban Immovable Property tax shall not be leviable in respect of the following:-

(a) buildings and lands or portions thereof exclusively occupied for public worship or for charitable purposes;

**24. Authorities competent to levy and collect Urban Immovable Property tax and the manner of such levy and collection :-**

**24A. Penalty for default in payment of the Urban Immovable Property tax. :-**

(3) Sums recoverable under this section shall be recovered in the manner provided in section 24 for the recovery of the Urban Immovable Property tax.]

**24AA. Collection of the Urban Immovable Property tax and recovery of the penalty to be made by the appropriate municipal authority :-**

The collection of the Urban Immovable Property tax under section 24 and the recovery of the penalty under section 21A on behalf of any municipality shall be made by the appropriate municipal authority appointed to collect the property tax on behalf of such municipality under the law under which such municipality is constituted.)

**24B. The Urban Immovable Property tax to be a first charge on premises on which It is leviable :-**

Notwithstanding anything contained in any law and notwithstanding any rights arising out of any contract or otherwise, howsoever, all sums due on account of the Urban Immovable Property tax levied under section 22 or as a penalty imposed under section 24A for failure to pay such tax, in respect of any building or land, shall, subject to the prior payment of the land revenue, if any due to the State Government thereon, be a first charge upon the said building or land and upon the movable property, if any. found within or upon such building or land and belonging to the person liable for such tax or penalty.)

**25. Municipality entitled to rebate for cost of collection :-**

A Municipality required to [x x x] collect the Urban Immovable Property tax under this Part shall be entitled for its cost of collection to such rebate as may be prescribed.

**26. Primary responsibility for the Urban Immovable Property tax :-**

(1) The Urban Immovable Property tax shall be leviable primarily on the actual occupier of the buildings, or lands upon which the said tax is assessed, if he is the owner of the buildings or lands, or holds them on a building or other lease granted by or on behalf of Government, or on a building or other lease from any person or local authority.

(3) On failure to recover any sum due on account of the Urban Immovable Property tax from the person primarily liable, that may be recovered from the occupier of any part of the buildings lands in respect of which the tax is due such portion of the sum due as bears to the whole amount due the same ratio which the rent annually payable by such occupier bears to the aggregate amount

of the annual letting value thereof.

(4) An occupier who makes any payment for which he is not primarily liable under this section shall be entitled to be reimbursed by the person primarily liable for the payment and may deduct the amount so paid from the amount of any rent from time to time becoming due from him to such person.

**26A. Apportionment of responsibility for Urban Immovable Property tax when premises are let and rateable value exceeds the amount of rent :-**

(1) If any premises assessed to Urban Immovable Property tax are let and their rateable value exceeds the amount of rent payable in respect thereof to the person from whom, under the provisions of sub-section (1) to (4) of section 26, the said tax is leviable, the said persons shall be entitled to receive from his tenant the difference between the amount of the Urban Immovable Property tax levied from him and the amount which would be leviable from him if the said tax were calculated on the amount of rent payable to him.

(2) If the premises are sub-let and their rateable value exceeds the amount of rent payable in respect thereof to the tenant by his subtenant, or the amount of rent payable in respect thereof to a subtenant by the person holding under him, the said tenant shall be entitled to receive from his sub-tenant or the said sub-tenant shall be entitled to receive from the person holding under him, as the case may be, the difference between any sum recovered under sub-section (1) from such tenant or sub-tenant and the amount of Urban Immovable Property tax which would be leviable in respect of the said premises. If the rateable value thereof were equal to the difference between the amount of rent which such tenant or subtenant receives and the amount of rent which he pays.

(3) Any person entitled to receive any sum under sub-section (1) and (2) shall have, for the recovery thereof, the same rights and remedies as if such sum were rent payable to him by the person from whom he is entitled to receive the same.)

**27. Remission and refund :-**

(2) The burden of proving facts entitling any person to claim relief under this section shall be upon him.

## **28. Default of Municipality :-**

(3) Every payment made pursuant to an order under sub-section (2) shall be a sufficient discharge to such bank or person from all liability to the municipality in respect of any sum so paid by it or him out of the moneys of the municipalities so deposited with such bank or person.

## **28A. Application of Part VI to certain areas subject to certain modifications :-**

**1**

1. Delete by Gujarat A. O. 1960.

## **29. Rules :-**

(1) The State Government may make rules for carrying out the purposes of this Part.

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

## **PART 7**

Newspaper Advertisements Tax

## **PART 8**

Other Taxes

## **41. Amendment of Bombay I of 1923 :-**

]. .-In the Bombay Entertainments Duty Act, 1923 (Bom. I of 1923) for sub-section (1) of section 3, the following shall be substituted, namely:- - "(1) There shall from the 1st day of April, 1948 be levied and paid to the Government of Bombay on all payments for admission to any entertainment a duty (hereinafter referred to as "entertainment duty) at the following rate namely:- Where the payment, excluding the amount of duty, is made for admission to a race course licensed under the Bombay Race Course Licensing Act, 1912 (Bom. III of 1912) 37 1/2 percent, of such payment, and in any other case, where the payment, excluding the amount of the duty-

## **42. Amendment of Bombay VI of 1925 :-**

**1** .-In the Bombay Betting Tax Act, 1925 (Bom. VI of 1925)-

(a) in section 5, for the figures and words "10 percent", the figures and words "12 1/2 percent", shall be substituted;

(b) In section 8 for the figures and words "10 percent" the figures

and words "12 1/2 percent", shall be substituted.

1. Delete by Gujarat A. 0. 1960.