

## **Gujarat District Village Encouragement Fund (Investment and Sanction of Incentive Grants) Rules, 1997**

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## **Gujarat District Village Encouragement Fund (Investment and Sanction of Incentive Grants) Rules, 1997**

Whereas, certain draft rules framing the Gujarat District Village Encouragement Fund (Investment and Sanction of Incentive Grants) Rules, 1996 were published as required by sub-sec. (5) of Sec. 274 read with Sec. 222 of the Gujarat Panchayats Act, 1993 (Guj. Act No. 18 of 1993), at pages 90-1 and 90-2 of Gujarat Government Gazette, Part I-A, Extra No. 90, dated the 19th August, 1996, under the Government Notification, Panchayats and Rural Housing Department No.KP/57 of 1996/PRN- 1094/2673-J, dated the 19th August, 1996, inviting objections and suggestions from all persons likely to be affected thereby within thirty days from the date of the publication of the said notification in the Official Gazette; And, whereas, suggestions received with respect to the said draft rules were considered by the Government; Now, therefore, in exercise of the powers conferred by sub-sec. (1) of Sec. 274 read with Sec. 222 of the Gujarat Panchayats Act, 1993 (Guj. Act No. 18 of 1993), the Government of Gujarat hereby makes the following rules, namely ;

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

These rules may be called the Gujarat District Village Encouragement Fund (Investment and Sanction of Incentive Grants) Rules, 1997.

### **2. Definitions :-**

In these rules, unless the context otherwise requires

- (a) "the Act" means the Gujarat Panchayats Act, 1993;
- (b) "the financial year" means the year commencing on the 1st day of April;
- (c) "fund" means the District Village Encouragement Fund established under Sec. 222;
- (d) "panchayat" means the Village Panchayat;
- (e) "section" means a section of the Act.

### **3. Investment of the funds :-**

All the sums at the credit of the fund shall be deposited by the district panchayat in the Government Treasury to the credit of the Personal Ledger Account of the District Development Officer, Out of the sums so deposited, the actual amount required for the payments as incentive grants shall be kept in the Personal Ledger Account and the remaining amount shall be invested in Government as terms deposits of the district panchayats.

### **4. Criteria for sanctioning incentive grants from the fund :-**

The incentive grants from this fund shall be sanctioned by the district panchayat to the panchayats which raise their income, either by new taxation or fees or by raising and recovering of the rates of the existing taxation or fees under Sec. 200 and/or 203 which in the case of Panchayats situated in the economically backward areas, shall be at least by five per cent and in the case of other panchayats, at least by ten percent of the taxes and fees levied and such increase actually recovered by such panchayats in the year immediately preceding

Provided that the fact whether a panchayat is situated in an economically backward area or not shall be determined by the district panchayat which receives the application under Rule 5 :

Provided further that in the case of any panchayat, if the increase in its income by way of new taxation or fees or enhancement in the rates of existing taxation or fees under Sec. 200 and/or 203 continues from year to year, then, such panchayat shall be eligible for sanction of an incentive grant from the fund for a second time only if the increase in any particular year is found by the district panchayat to be substantial as compared to the increase in the year immediately preceding in which an incentive grant was sanctioned from the fund to such panchayat.

## **5. Application for incentive grants from the funds :-**

(1) A Panchayat desiring to obtain an incentive grant from the fund shall, apply in writing to the district panchayat for the purpose. The application shall contain the following particulars, namely:

- (i) the kinds of taxes levied by the panchayat in the previous year;
- (ii) the total demand of such taxes during that year;
- (iii) total collection of taxes during that year;
- (iv) arrears of payments on account of such taxes at the end of that year;
- (v) additional taxes levied during that year as compared to the taxes levied during the year immediately preceding and the actual income realised on account of such additional taxation;
- (vi) rates of taxes enhanced during that year as compared to the taxes levied during the year immediately preceding and the actual amounts collected on account of such enhancement.

(2) The application shall be submitted through Taluka Development Officer who shall forward the same with his scrutiny remarks.

## **6. . :-**

Sanction of the incentive grant by the district panchayat. On receipt of the application under Rule 5 and the scrutiny thereof, the district panchayat shall, subject to the provisions of the Rule 4, sanction the grant to the panchayat under intimation to taluka panchayat as follows as the district panchayat may determine :

- (a) three to five times the amount of increase of income, in case of panchayat in an economical backward area and
- (b) two to three times the amount of increase of income, in case of other panchayats.

## **7. Repeal :-**

The Gujarat District Gram Encouragement Fund(Investment and Sanction of Incentive Grants) Rules, 1964 are hereby repealed.