

Punjab Municipal (Second Amendment) Act, 2014

2 of 2015

[27 January 2015]

CONTENTS

1. Short title and commencement.
2. Amendment of section 3 of Punjab Act 3 of 1911.
3. Amendment of section 61 of Punjab Act 3 of 1911.
4. Insertion of new sections 79-A, 79-B, 79-C, 79-D and 79-E in Punjab Act 3 of 1911. In the principal Act, after section 79, the following sections shall be inserted, namely:-
5. Amendment of section 199 of Punjab Act 3 of 1911.
6. Substitution of section 201 of Punjab Act 3 of 1911.
7. Substitution of section 237 of Punjab Act 3 of 1911.
8. Repeal and Saving.

Punjab Municipal (Second Amendment) Act, 2014

2 of 2015

[27 January 2015]

AN ACT

further to amend the Punjab Municipal Act, 1911.

BE it enacted by the Legislature of the State of Punjab in the Sixty-fifth Year of the Republic of India as follows:-

1. Short title and commencement. :-

(1) This Act may be called the Punjab Municipal (Second Amendment) Act, 2014.

(2) The provisions of sections 2, 3, 4 and 5 shall be deemed to have come into force on and with effect from the first day of April, 2014, and the remaining provisions of this Act shall come into force on and with effect from the date of its publication in the Official Gazette.

2. Amendment of section 3 of Punjab Act 3 of 1911. :-

In the Punjab Municipal Act, 1911 (hereinafter referred to as the

principal Act), in section 3, after clause (1a), the following clause shall be inserted, namely:-

"(1aa) "flat" means an apartment, which may be called block, chamber, dwelling unit, lot, premises, suite, tenement, unit or by whatever any other name, a separate and self contained part of any property, including one or more rooms or enclosed spaces, located on one or more floors, or any part or parts thereof, in a building, or in a portion of land, used or intended to be used for residence, or for any other type of independent-use ancillary to the residential purpose, and with a direct exit to a public street, road or to a common area leading to such street, or road, and includes any garage or room, whether or not adjacent to the building in which such apartment is located for the use by the owner of such apartment for parking any vehicle or for the residence of any domestic servant employed in such apartment;"

3. Amendment of section 61 of Punjab Act 3 of 1911. :-

In the principal Act, in section 61, in sub-section (1).- (i) for clauses (a), (aa) and (aaa), the following clauses shall be substituted, namely: -

"(a) (i) A tax payable by the owner of building and land: Provided that in the case of building and land occupied by tenants in perpetuity, the tax shall be payable by such tenants.

(ii) The tax payable under clause (i) shall be levied at such rate and shall be calculated in such manner as the State Government may specify, by notification to be published in the Official Gazette: Provided 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 (Amendment) Act, 2014 (Punjab Act No. 18 of 2014), or the Punjab Municipal (Second Amendment) Act, 2014, as he thinks appropriate. (aa) Notwithstanding anything contained in clauses (i) and (ii) of clause (a),-

(A) no tax shall be leviable on vacant land, and building and/or land,-

I. 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) old age homes, homes for disabled, homes for orphans and homes for destitute;
 - (vi) the building or land owned and used by the committee;
 - (vii) the building or land used for Schools and Colleges owned or aided by the State Government;
 - (viii) the building or land of Hospitals or Dispensaries owned by the State Government;
 - (ix) parking space (only in respect of multi-storey flats or buildings); and
 - (x) land used for agricultural or horticultural purposes;
- II. belonging to units or projects covered under the Fiscal Incentives for Industrial Promotion-2013 as notified by the Government of Punjab, Department of Industries and Commerce, vide No. CC/ FIIP/2013/5343, dated the 5th December, 2013, the exemption shall be available to such Units or Projects subject to the terms and conditions set and to the extent indicated therein, on production of a certificate from the nodal agency specified in the said Notification;
- III. pertaining to residential houses (without any condition of storeys) measuring 50 square yards or below or single storey residential houses (inclusive of munti and water tanks) measuring 125 square yards or below or residential flats having super covered area measuring 500 square feet or below;
- IV. in the area falling within a newly constituted Municipal Council or Nagar Panchayat on or after the first day of April, 2014, for a period of three years to be reckoned from the date of such constitution;
- V. in the area falling within a Municipal Council or Nagar Panchayat, constituted prior to the first day of April, 2014, but had not completed three years on this date, for a period of three years to be reckoned from the said date;
- VI. in the area included in a Municipal Council or Nagar Panchayat on or after the first day of April, 2014, for a period of three years to be reckoned from the date of such inclusion;
- VII. in the area which was included in a Municipal Council or Nagar Panchayat within the period of three years prior to the first day of April, 2014, but had not completed three years on this date, for a period of three years to be reckoned from the said date;
- VIII. owned by the following categories of persons:-

- (i) Freedom Fighters, who are receiving pension as such from the Central Government or the State Government or both, as the case may be;
- (ii) Persons living below poverty line who possess requisite card, issued in support thereof; and
- (iii) Persons, who had served, or are serving, in any rank, whether as a combatant or a non-combatant, in the Naval, Military or Air Forces of the Union of India;

Explanation.-The expression vacant land shall construe the land comprising any plot which does not contain any structure, may be pucca or kacha.

(B) the building and land owned by the following categories of persons shall be exempted from the payment of tax of five thousand rupees per financial year:-

- (i) Widows; and
- (ii) 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;

(C) the building and/or land of all educational institutions, other than Governmental and Government aided, shall be exempted from the payment of fifty per cent of the tax assessed for a financial year: Provided that if it appears to the State Government to be expedient and necessary, at any time, it may review the exemptions granted, by an order to be published in the Official Gazette."

(ii) after clause (f) and proviso thereunder, the following clause shall be inserted, namely:-

"(g) a tax on advertisements other than advertisements published in newspapers."

4. Insertion of new sections 79-A, 79-B, 79-C, 79-D and 79-E in Punjab Act 3 of 1911. In the principal Act, after section 79, the following sections shall be inserted, namely:- :-

" 79-A. Tax on advertisements.

(I) Every person, who erects, exhibits, fixes or retains upon or over any land, building, wall, boarding, frame, post or structure or upon or in any vehicle any advertisement or, who displays any advertisement to public view in any manner whatsoever, visible from a public street or public place (including any advertisement exhibited by means of cinematograph), shall pay for every advertisement which is so erected, exhibited, fixed or retained or so

displayed to public view, a tax calculated at such rates, as may from time to time, be specified by the Government by notification in the Official Gazette:

Provided that no tax shall be levied under this section on any advertisement, which,-

(a) is exhibited within the window of a building if the advertisement relates to the profession or business carried on in that building; or

(b) relates to the trade, profession or business carried on within the building or land upon or over which such advertisement is exhibited or to any sale or letting of such building or land or any effects therein or to any sale, entertainment or meeting to be held on or upon or in the same; or

(c) relates to the name of the building or land upon or over which the advertisement is exhibited, or the name of the owner or occupier of such building or land; or

(d) relates to the business of railway administration and is exhibited within any railway station or upon any wall or other property of a railway administration; or

(e) relates to any activity of the Central Government, State Government, the Municipal Council or the Nagar Panchayat.

(2) The tax on any advertisement leviable under this section shall be payable in advance in such number of installments and in such manner as may be determined by bye-laws made in this behalf.

Explanation.-1. The word "structure" in this section includes any movable board on wheels used as an advertisement or an advertisement medium.

Explanation.-2. The word "advertisement" in relation to a tax on advertisement under this Act means any word, letter, model, sign, placard, notice, device or representation whether illuminated or not, in the nature of and employed wholly or in part for the purposes of advertisement, announcement or direction.

79-B. Prohibition of advertisements without written permission of Executive Officer.

(1) No advertisement shall be erected, exhibited, fixed or retained upon or over any building or land, wall, boarding, frame, post or structure or place within the Municipality without the written permission of the Executive Officer granted in accordance with bye-laws made under this Act.

(2) The Executive Officer shall not grant such permission, if -

(a) the advertisement contravenes any bye-law made under this Act; or

(b) the tax, if any, due in respect of the advertisement has not been paid.

(3) Subject to the provisions of sub-section (2), in the case of an advertisement liable to the advertisement tax, the Executive Officer shall grant permission for a period for which the payment of the tax has been paid.

79-C. Permission of Executive Officer to become void in certain cases.

The permission granted under section 79-B shall become void in the following cases, namely:-

(a) if the advertisement contravenes any bye-law made under this Act;

(b) if any material change is made in the advertisement or any part thereof without the previous permission of the Executive Officer;

(c) if the advertisement or any part thereof falls otherwise than through accident;

(d) if any addition or alteration is made to, or in the building, wall, boarding, frame, post or structure upon or over which the advertisement is erected, exhibited, fixed or retained and such addition or alteration involves the disturbance of the advertisement or any part thereof; and

(e) if the building, wall, boarding, frame, post or structure over which the advertisement is erected, exhibited, fixed or retained is demolished or destroyed.

79-D. Presumption in case of contravention.

Where any advertisement has been erected, exhibited, fixed or retained upon or over any building or land, wall, boarding, frame, post or structure or upon or in any vehicle or displayed to public view from a public street or public place in contravention of the provisions of this Act or any bye-law made thereunder, it shall be presumed, unless and until contrary is proved, that the contravention has been committed by the person or the persons on whose behalf the advertisement purports to be or the agents of such person or persons.

79-E. Power of Executive Officer in case of contravention.

If any advertisement is erected, exhibited or fixed, retained in contravention of the provisions of section 79-B, the Executive Officer may require the owner or occupier of the building or land, wall, boarding, frame, post, or structure or vehicle upon, or in which the same is erected, exhibited, fixed or retained, to take down or remove such advertisement or may enter any building or land, property or vehicle and have the advertisement dismantled,

taken down or removed or spoiled, defaced or screened."

5. Amendment of section 199 of Punjab Act 3 of 1911. :-

In the principal Act, in section 199, in sub-section (1), for the words "five hundred rupees" and "five rupees", the words "ten thousand rupees" and "five hundred rupees" shall be substituted respectively.

6. Substitution of section 201 of Punjab Act 3 of 1911. :-

In the principal Act, for section 201, the following section shall be substituted, namely:-

"201. Confirmation of Bye-laws.

(1) The Model bye-laws notified by the State Government shall remain applicable in a Committee till these are altered or modified by the Committee.

(2) No bye-law made under this Act by a Committee, or alteration made by a Committee in Model bye-laws, shall come into force until it has been approved by the State Government and published in the Official Gazette.

(3) The State Government may cancel its confirmation of any such bye-law or alteration and thereupon the said bye-law or alteration shall cease to have effect."

7. Substitution of section 237 of Punjab Act 3 of 1911. :-

In the principal Act, for section 237, the following section shall be substituted, namely:-

"237. General powers of State Government over officers.

Notwithstanding anything contained in this Act,-

(i) the State Government shall have the power of reversing or modifying any order of any officer of the State Government or of any committee passed or purporting to have been passed under this Act, if it considers it to be not in accordance with the said Act or the rules or to be for any reason inexpedient, and generally for carrying out the purposes of this Act, the State Government shall exercise over its officers all powers of superintendence, directions and control; and

(ii) if a Committee delays in taking a decision on a matter of public interest or is unable to take such a decision in the absence of elected house, in those circumstances, the State Government shall be competent to take appropriate decision in public interest and the

Executive Officer shall be bound to implement such decision of the State Government."

8. Repeal and Saving. :-

(1) The Punjab Municipal (Second Amendment) Ordinance, 2014 (Punjab Ordinance No.5 of 2014), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the Ordinance referred to in subsection

(1), shall be deemed to have been done or taken under the principal Act, as amended by this Act.