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**Tamil Nadu Panchayats (Third Amendment) Act, 2007****23 of 2007****CONTENTS**

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**Tamil Nadu Panchayats (Third Amendment) Act, 2007****23 of 2007**

An Act further to amend the Tamil Nadu Panchayats Act, 1994. Be it enacted by the Legislative Assembly of the State of Tamil Nadu in the Fifty-eighth Year of the Republic of India as follows:-- 1. Received the Assent of the Governor of Tamil Nadu on the June 7, 2007 -- Published in Tamil Nadu Government Gazette, Extraordinary, Part IV, Section 2, Iss. No. 157, pages 75-76, dated June 8, 2007.

**1. Short Title And Commencement :-**

- (1) This Act may be called the Tamil Nadu Panchayats (Third Amendment) Act, 2007.
- (2) It shall come into force on such date as the State Government may, by notification, appoint.

**2. Amendment Of Section 167 :-**

In Section 167 of the Tamil Nadu Panchayats Act, 1994 (T.N. Act 21 of 1994) (hereinafter referred to as the principal Act), sub-section (4) shall be omitted.

**3. Substitution Of Section 169 :-**

For Section 169 of the principal Act, the following Section shall be

substituted, namely:--

"169. Rules regarding collection of local cess, local cess surcharge and surcharge on the duty on transfers of property.-- The Government may make Rules not inconsistent with this Act,--

(a) for regulating the collection of local cess under Section 167, local cess surcharge under Section 168 and surcharge on the duty on transfers of property under Section 175;

(b) for fixing the proportions in which the proceeds of local cess, local cess surcharge and surcharge on the duty on transfers of property shall be distributed among village panchayats, panchayat union councils and district panchayats; and

(c) for deduction of the expenses incurred by the Government in the collection of local cess, local cess surcharge and surcharge on the duty on transfers of property".

#### **4. Amendment Of Section 175 :-**

In Section 175 of the principal Act, sub-section (3) and (4) shall be omitted.

#### **5. Insertion Of New Section 175-A :-**

After Section 175 of the principal act, the following Section shall be inserted, namely:--

"175-A. Apportionment of Entertainments Tax among Panchayats.-- Notwithstanding anything contained in Section 13 of the Tamil Nadu Entertainments Tax Act, 1939 (Tamil Nadu Act X of 1939), so far as panchayats are concerned, ten per cent of the proceeds of the tax under Section 4, Section 4-F and Section 4-H of that Act collected every year shall be credited to the Government and the balance of ninety per cent shall be distributed among Village Panchayats, Panchayat Union Councils and District Panchayats in such proportions as the Government may fix."

#### **6. Amendment Of Section 186 :-**

In Section 186 of the principal Act,--

(1) for clause (b), the following clause shall be substituted, namely:--

"(b) the proportionate share of the proceeds of the local cess, local cess surcharge, surcharge on the duty on transfers of property and Entertainments Tax received by the Panchayat Union Council under Sections 169 and 175-A.";

(2) clause (1) shall be omitted.

**7. Amendment Of Section 188 :-**

In Section 188 of the principal Act, in sub-section (1),--

(1) clause (c) shall be omitted;

(2) for clause (d), the following clause shall be substituted, namely:--

"(d) the proportionate share of the proceeds of the local cess, local cess surcharge, surcharge on the duty on transfers of property and Entertainments Tax received by the Village Panchayat under Sections 169 and 175-A";

(3) clause (m) shall be omitted.