

## **Taxation**

### **90. Taxes to be imposed by Corporation under this Act and arrangement of certain taxes collected by Government:-**

(1) The Corporation shall, for the purposes of the Act, levy the following taxes :-

- (a) taxes on lands and buildings;
- (b) octopi;
- (c) a tax on vehicles and animals;
- (d) a tax on advertisements other than advertisements Published in newspapers;
- (e) a tax on buildings payable along with the application for sanction of the building plan; and
- (f) a development tax on the increase in urban land values caused by the execution of any development or improvement work.

(2) Subject to the prior approval of the Government the Corporation may, for the purposes of this Act, in addition to the taxes specified in sub- section (1), levy, -

- (a) a tax on professions, trades, callings and employment; and
- (b) any other tax which the State Legislature has power to impose under the Constitution: Provided that no tax shall be imposed under this sub-section unless an opportunity has been given in the prescribed manner to the residents of the City to file objections and the objections, if any, thus received have been considered.

(3) The taxes specified in sub-section ( 1 ) and sub-section (2) shall be levied at such rates as may, from time to time, be specified by the Government by notification and shah be assessed and collected in accordance with the provisions of this Act and the bye-laws made thereunder.

(4) The Government may, by special or general order, direct a Corporation to impose any tax falling under sub-section (1) or sub-section (2) not already imposed, within such period as may be specified and the Corporation shah thereupon act accordingly.

(5) If the Corporation fails to carry out any order passed under sub-section (4), the Government may by a suitable order notified in the Official Gazette impose the tax and the order so passed shah operate as if the tax had been duly imposed by the Corporation under sub-section (1) or sub-section (2), as the case may be.

(6) After the close of each year the Government may pay to the Corporation the whole or such Part as it may determine of the Tax collected by it

- (a) under the Indian Stamp Act, 1899 on account of stamp duty on transfer of property situated within the local area of the City;
- (b) under the Punjab Motor Vehicles Taxation Act, 1924, from every person keeping a motor vehicle within the local area of the City;
- (c) under the Punjab Electricity (Duty) Act, 1958, on the energy supplied Within the local area of the City;

(d) under the Punjab Entertainment Duty Act, 1955 from every person admitted to an entertainment within the local area of the City;

(e) under the Punjab Entertainment Tax (Cinematography Shows) Act, 1954, from the proprietor of the premises where a public cinematography exhibition is held within the local area of the City.

### **91. Components and rates of taxes on lands and buildings:**

(1) Save as otherwise provided in this Act, Taxes on lands and buildings in the City shall consist of the following, namely :-

(a) a water tax of such percentage of the rateable value of lands and buildings as the Government may deem reasonable for providing water- supply in the City;

(b) a fire tax on such percentage of the rateable value of lands and buildings as the Government may deem reasonable for the expense necessary for the conduct and management of the Fire Service and for the protection of life and property in the case of the fire;

(c) a general tax of not more than fifteen per cent of the rateable value of lands and buildings within the City:

Provided that the general tax may be levied on a graduated scale, if the Government determines.

(2) The Government shall exempt from the general tax lands and buildings of which the rateable value does not exceed the prescribed limit.

### **92. Premises in respect ,of which water tax and fire tax are to be levied: -**

(1) Save as otherwise provided in this Act, the water tax shall be levied only in respect of lands and buildings -

(a) to which a water supply is furnished from or which are connected by means of pipes with, municipal water works; or

(b) which are situated in any portion of the City in which the Commissioner has given public notice that sufficient water is available from municipal water works for a reasonable supply to all the lands and buildings in the said portion.

(2) The fire tax shall be levied in respect of all lands and buildings in the City in respect of which the general tax is levied Or would have been levied but for the exemption given by or under the provisions of this Act.

### **93. Determination of rateable value of lands and buildings assessable to taxes -**

Subject to the rules, if any, made by the State Government in this behalf, the rateable value of any land or building assessable to taxes specified in section 91 shall be :-

(a) in the case of land, the gross annual rent at which it may reasonably be expected to let;

(b) in the case of any building, the gross annual rent at which such building, together with its appurtenances and any furniture that may be let for use for enjoyment therewith, may reasonably be expected to let, subject to the following deductions :-

(i) such deduction not exceeding 20 per cent of the gross annual rent as the Commissioner in each particular case may consider a reasonable allowance on account of

the furniture let therewith;

(ii) a deduction of 10 per cent for the cost of repairs and for all other expenses necessary to maintain the building in a state to command such gross annual rent. The deduction under this sub clause shall be calculated on the balance of the gross annual rent after the deduction (if any) under sub-clause (i);

(iii) where land is let with a building, such deduction, not exceeding 20 per cent, of the gross annual rent, as the Commissioner 'in each particular case may consider reasonable on account of the actual expenditure, if any, annually incurred by the owner on the upkeep of the land in a state to command such annual rent.

Explanation I - For the purposes of this clause it is immaterial whether the house or building, and the furniture and the land let for use or enjoyment therewith, are let by the same contract or by different contracts, and if by different contracts whether such contracts are made simultaneously or at different times.

Explanation II. - The term "gross annual rent" shall not include any tax payable by the owner in respect of which the owner and tenant have agreed that it shall be paid by the tenant.

(c) In the case of any building, the gross annual rent of which cannot be determined under clause (b), 5 per cent on the sum obtained, by adding the estimated present cost of erecting the building less such amount as the Commissioner may deem reasonable to be deducted on account of depreciation (if any), to the estimated market value of the site and any land attached to the building:

Provided that -

(i) in the calculation of the rateable value of any premises no account shall be taken of any machinery thereon;

(ii) when a residential buildings occupied by the owner or is not let the rateable value shall be fifty, percentage of the annual market rent prevalent at the time of assessment in the locality for similar accommodation:

Provided further that in respect of any land or building the fair rent whereof has been fixed under the law relating to rent restriction for the time being in force, the rateable value thereof shall not exceed

the annual amount of the fair rent so fixed or the actual rent for which the same has been let, whichever is higher.

#### **94. Furnishing of returns and penalty for failure to do so. –**

Every owner the rateable value of whose lands and buildings exceeds thirty thousand rupees shall furnish a return of the rateable value of his lands and buildings in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and if he fails to do so or gives any information in the return which is false, and which he either knows or believes it to be false or does not believe to be true, shall be punishable with fine which may extend to five thousand rupees or with imprisonment for a term which may extend to three months or with both.

#### **95. Charge by measurement in lieu of water tax in certain cases. –**

(1) The Commissioner may in such cases as the Corporation may either generally or specifically direct, instead of levying water tax in respect of any land or building liable

thereto under section 92, charge for the water supplied to such land or building by measurement at such rate as shall from time to time be prescribed by the Corporation in this behalf.

(2) The Corporation may for the cases in which the Commissioner charges for water supplied by measurement under sub-section (1), prescribe such conditions as it may think fit regarding the use of the water and regarding the charges to be paid for water consumed whilst a meter is out of order or under repair:  
Provided that no condition prescribed under this sub-section shall be inconsistent with this Act.

(3) A person who is charged for water supplied by measurement shall not be liable for payment of water tax but any sum payable by him on account of water and not paid when it becomes due shall be recoverable by the Commissioner as an arrear of water tax under this Act.

(4) In prescribing charges for water supplied by measurement under subsection (1), it shall be lawful for the Corporation to prescribe different rates in respect of different classes of lands and buildings.

#### **96. Taxation of Union properties. –**

Notwithstanding anything contained in the foregoing provisions of this Chapter, lands and buildings being properties of the Union shall be exempt from the taxes on lands and buildings specified in section 91:

Provided that nothing in this section shall prevent the Corporation from levying any of the said taxes on such lands and buildings to which immediately before the 26th January, 1950, they were liable or treated as liable, so long as that tax continues to be levied by the Corporation on other lands and buildings.

#### **97. Incidence of taxes on lands and buildings. –**

(1) The taxes on lands and buildings shall be primarily leviable as follows :-

- (a) if the land or building is let, upon the lessor;
- (b) if the land or building is sub-let, upon the superior lessor;
- (c) if the land or building is unlet, upon the person in whom the right to let the same vests.

(2) If any land has been let for a term exceeding one year to a tenant and such tenant has built upon the land, the taxes on lands and buildings assessed in respect of that land and the building erected thereon shall be primarily leviable upon the said tenant, whether the land and building are in the occupation of such tenant or a sub-tenant of such tenant.  
Explanation - The term "tenant" includes any person deriving title to the land or the building erected upon such land from the tenant whether by operation of law or by transfer inter vivos.

(3) The liability of the several owners of any building which is, or purports to be, severally owned in parts or flats or rooms, for payment of taxes on lands and buildings or

any instalments thereof payable during the period of such membership shall be joint and several.

**98. Apportionment of liability of taxes on lands and buildings when, premises assessed are let or sub-let. –**

( 1 ) If any land or building assessed to taxed specified in section 91 is let and its rateable value exceeds the amount of rent payable in respect thereof to the person upon whom under the provisions of section 97 the said taxes are leviable, that person shall be entitled to receive from his tenant the difference between the amount of the said taxes levied upon him and amount which would be leviable upon him if the said taxes were calculated on the .amount of rent payable to him.

(2) If the land or building is sublet and its rateable value exceeds the amount or rent payable in respect thereof to the tenant by his sub-tenant, or the amount or rent payable in respect thereof to a sub-tenant by the person holding under the sub-tenant, the tenant shall be entitled to receive from his sub-tenant or the 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 this section from such tenant or sub-tenant and the amount of taxes on lands and buildings which would be leviable in respect of the said land or building if the retable value thereof were equal to the difference between the amount of rent which such tenant of sub-tenant received and the amount of rent which he pays.

(3) Any person entitled to receive any sum under this section 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.

**99. Recovery of taxes on lands and buildings from occupiers. –**

( 1 ) On the failure to recover any sum due on account of taxes specified in section 91 in respect of any land or building from the person primarily liable therefor under section 97, the Commissioner shall in the prescribed manner recover from every occupier of such land or building by attachment, or the rent payable by such occupier, a portion of the total sum due which bears, as nearly as may be, the same proportion to that sum as the rent annually payable by such occupier bears to the total amount of rent annually payable in respect of the whole of the land or building.

(2) An occupier from whom any sum is recovered under sub-section (1) shall be entitled to be reimbursed by the person primarily liable for the payment and may in addition to having recourse to other remedies that may be open to him, deduct the amount to be recovered from the amount of any rent from time to time becoming due from him to such person.

**100. Taxes on lands and buildings a first charge on premises on which they are assessed. –**

Taxes due under this Act in respect of any land or building shall, subject to the prior payment of the land revenue, if any, due to the Government thereon, be a first charge -

(a) in the case of any land or building held immediately from the Government, upon the interest in such land or building of the person liable for such taxes and upon the goods and other movable properties, if

any, found within or upon such land or building and belonging to Such person: and

(b) in the case of any other land or building, upon such land or building and upon the goods and other movable properties, if any, found within or upon such land or building and belonging to the person liable for such taxes.

Explanation. - The term "taxes" in this section shall be deemed to include:-

(i) charges payable under section 9 5; and

(ii) the costs Of recovery thereof and the penalty, if any, payable as specified in the bye-laws.

### **101. Assessment list. –**

( 1 ) Save as otherwise provided in this Act, the Corporation shall cause an assessment list of all lands and buildings in the City to be prepared in such form and manner and containing such particulars with respect to each land and building as may be prescribed by bye-laws.

(2) When the assessment list has been prepared, the Commissioner shall give public notice thereof and of the place where the list or a copy thereof may be inspected, and every person claiming to be the owner, lessee or occupier of any land or building included in the list and any authorised agent of such person, shall be at liberty .to inspect the list and to take extracts there from free of charge.

(3) The Commissioner shall, at the same time, give public notice of a date, not less than one month thereafter, when he will proceed to consider the rateable value of lands and buildings, entered in the assessment list, and in all cases in which any land or building is for the first time assessed (or the rateable value of any land or building is increased he shall also give written notice thereof to the owner or to any lessee or occupier of the land or building.

(4) Any objection to a rateable value or any other matter as entered in the assessment list shall be made in writing to the Commissioner before the date fixed in the notice and shall state in what respect the rateable value or other matter is disputed, and all objections so made shall be recorded in a register to be kept for the purpose.

(5) The objections shall be inquired into and investigated and the persons making them shall be allowed an opportunity of being heard either in person or by authorised agent, by a committee consisting of two councillors elected by the Corporation for that purpose and the Commissioner or an officer of the Corporation authorised by him in this behalf.

(6) When all objections have been disposed of, and the revision of the rateable value has been completed, the assessment list shall be authenticated by the signature of the Commissioner or, as the case may be, the officer authorised by him in this behalf, who shall certify that except in the cases, if any, in which amendments have been made as

shown therein no valid objection has been made to the rateable value or any other matters entered in the said list.

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(7) The assessment list so authenticated shall be deposited in the office of the Corporation and shall be open for inspection free of charge during office hours to all owners, lessees and occupiers of lands and buildings comprised therein or the authorised agents of such persons, and a public notice that it is so open shall forthwith be published.

**102. Evidentiary value of assessment list. –**

Subject to such alterations as may thereafter be made in the assessment list under section 103 and to the result of any appeal made under the provisions of this Act, the entries in the assessment list authenticated and deposited as provided in section 101 shall be accepted as conclusive evidence, for the purpose of assessing any tax levied under this Act, of the rateable value of all lands and buildings to which such entries respectively relate.

**103. Amendment of assessment list. –**

(1) The Commissioner may, at any time, amend the assessment list,

- (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 lands and buildings: or
- (d) by increasing or reducing for adequate reasons the amount of any rateable value and of the assessment thereupon; or
- (e) by making or cancelling any entry exempting any land or building from liability to any tax: or
- (f) by altering the assessment on the land or building which has been erroneously valued or assessed through fraud, mistake or accident; or
- (g) by inserting or altering an entry in respect of any building erected, re erected, altered or added to. after the preparation of the assessment list:

Provided that no person shall by reason of any such amendment become liable to pay any tax or increase of tax in respect of any period prior to the commencement of the year in which the notice under sub-section (2) is given.

(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.

**104. Preparation of new assessment list. –**

It shall be in the discretion of the Commissioner to prepare for the whole or any part of the City a new assessment list every year or to adopt the rateable values contained in the list for any year, with such alterations as may in particular cases be deemed necessary, as the rateable values for the year following giving the same public notice as well as individual notices, to persons affected by such alterations, of the rateable values as if a new assessment list had been prepared.

**105. Notice of transfers. –**

( 1 ) Whenever the title of any person primarily liable for the payment of taxes specified in section 91 on any land or buildings is transferred, the person whose title is transferred and the person to whom the same is transferred shall within three months after the execution of the instrument of transfer or after its registration, if it is registered, or after the transfer is effected, if no instrument is executed, give notice of such transfer in writing to the Commissioner.

(2) In the event of the death of any person primarily liable as aforesaid, the person on whom the title of the deceased devolves, shall give notice of such devolution to the Commissioner within six months from the date of the death of the deceased.

(3) The notice to be given under this section shall be in such form as may be determined by bye-laws made under this Act. and the transferee or the other person on whom the title devolves shall, if so required, be bound to produce before the commissioner any documents evidencing the transfer or devolution.

(4) Every person who makes a transfer as aforesaid without giving such notice to the Commissioner shall in addition to any penalty to which he may be subjected under the provisions of this Act, continue liable for the payment of all taxes specified in section 91 from time to time payable in respect of the land or building transferred until he gives such notice or until the transfer has been recorded in the Commissioner's book, but nothing in this section shall be held to affect the liability of the transferee for the payment of the said taxes.

(5) The Commissioner shall record every transfer or devolution of title notified to him under this section in his books and in the assessment list.

(6) On a written request by the Commissioner, the registrar or sub registrar, having jurisdiction in the City, appointed under the Registration Act, 1908, shall furnish such particulars regarding the registration of instruments of transfer of immovable properties in the City, as the Commissioner may from time to time require.

(7) Such information shall be furnished as soon as may be after the registration of an instrument of transfer is effected, or, if the Commissioner so. requests, by periodical returns at such intervals as the Commissioner may fix.

**106. Notice of erection of building, etc. –**

When any new building is erected or when any building is re-built or enlarged or when any building which has been vacant is re-occupied, the person primarily liable for the taxes specified in section 91 assessed on the building shall give notice there- of in writing to the Commissioner within fifteen days from the date of its completion or occupation, whichever first occurs, or as the case may be, from the date of its enlargement or re-occupation; and the said taxes shall be assessable on the building from the said date.



**107. Notice of demolition or removal of building. –**

( 1 ) When any building Or any portion of a building, which is liable to the payment of taxes specified in section 91 is demolished or removed, otherwise than by order of the Commissioner, the person primarily liable for the payment of the said taxes shall give notice thereof in writing to the Commissioner.

(2) Until such notice is given, by person aforesaid shall continue liable to the payment of such taxes as he would have been liable to pay in respect of such building if the same or any portion thereof had not been demolished or removed.

**108. Power of Commissioner to call for information and return. –**

( 1 ) To enable him to determine the rateable value of any land or buildings and the person primarily liable for the payment of any taxes specified in section 91 leviable in respect thereof, the Commissioner may require the owner or occupier of such land or building, or of any portion thereof to furnish him within such reasonable period as the Commissioner fixes in this behalf, with information or with a written return signed by such owner or occupier:-

(a)as to the name and place of residence of the owner or occupier of both the owner and occupier of such land or building;

(b) as to the measurements or dimensions of such land or building or of any portion thereof and the rent, if any, obtained for such land or building or any portion thereof: and

(c)as to the actual cost or other specified details connected with the determination of the value of such land or building.

(2) Every owner or occupier on whom any such requisition is made shall be bound to comply with the same and to give true information or to make a true return to be best of his knowledge or belief.

(3) Whoever omits to comply with any such requisition Or fails to give true information or to make a true return to the best of his knowledge or belief, shall, in addition to any penalty to which he may be liable, be precluded from objecting to any assessment made by the Commissioner in respect of such land or building of which he is the owner or occupier.

**109. Premises owned by or let to, two or more persons in severalty to be ordinarily assessed as one property: -**

Notwithstanding that any land or building is owned by, or let to, two or more persons in severalty, the Commissioner shall for the purpose or assessing such land or building to taxes specified in section 91 treat the whole of it as one property:

Provided that' the Commissioner may, in respect of any .land building which was originally treated as one property but which subsequent passes on by transfer, succession or in any other manner to two or· more persons who divide the same into several parts and occupy them in severalty, treat, subject to any bye-law made in this behalf, each such several part., or two or more of such several parts together, as a separate property and assess such part or parts to the said taxes accordingly,

**110. Assessment in case of amalgamation of premises. –**

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 and assess them to taxes specified in section 91 accordingly:

Provided that the total assessment on amalgamation shall not be greater than the sum of the previous assessments of the several premises except when there is any re-valuation of any of the said premises.

**111. Power of Commissioner to assess separately out-houses and portions of buildings. –**

The Commissioner may in his discretion assess any out-houses appurtenant to a building, or any portion of a land or building separately from such building or, as the case may be, from the rest of such land or building.

**112. Power of Commissioner to employ valuers. –**

The Commissioner may, if he thinks fit, employ one or more competent persons to give advice or assistance in connection with the valuation of any land or building, and any person so employed shall have power, at all reasonable times and after giving due notice, and on production, if so required, of authorisation in writing in that behalf from the Commissioner, to enter on, survey and value any land or building which the Commissioner may direct him to survey and value.

(2) No person shall wilfully delay or obstruct any such person in the exercise of any of his powers under this section.

**113. Levy of octroi:-** Except as hereinafter provided, the Corporation Shall levy octroi on article animals imported into the City, at such rates as may be specified by the Government.

**114. Power to examine article liable to octroi: -**

Every person bringing or receiving within the octroi limits of any City any article on which octroi is payable, shall when required by an officer duly authorised by the Government or the Corporation in this behalf and so far as may be necessary for ascertaining the amount of tax chargeable

(a) permit that officer to inspect, examine, weigh and otherwise deal with the article, and  
(b) communicate to that officer any information and exhibit to him any bill, invoice or document of a like nature which he may possess relating to the article.

**115. Power to search where octroi is leviable. –**

If any person, bringing or receiving conveyance or package within the octroi limits of a City on which octroi is or is believed to be leviable, shall refuse, on the demand of an officer authorised by the Government or the Corporation in this behalf, to permit the officer to inspect, weigh or otherwise examine the contents of the conveyance or package for the purpose of ascertaining whether it contains any articles in respect of which octroi is payable or shall refuse to communicate to that officer any information and exhibit to

him any bill, invoice or document of a like nature which he may possess relating to the article, or with the intention of defrauding the Corporation shall communicate any such information which, is false or exhibit any such bill, invoice or document of a like nature which is false or forged, he shall be punishable with fine which may extend to fifty rupees.

**116. Penalty for evasion of octroi. –**

If animals or articles passing the octroi limits of a corporation are liable to the payment of octroi then every person who causes or abets the introduction of, or himself introduces or attempts to introduce within the said octroi limits any such animals or articles upon which payment of the octroi due on such introduction has neither been made nor tendered, shall be punishable with fine which may extend either to twenty times the value of such octroi or to fifty rupees, whichever may be greater.

**117. Recovery of octroi and tolls. –**

(1) In case of non-payment of any octroi or of any toll on demand, the officer empowered to collect the same or the officer referred to in Section 14 may seize any article on which the octroi is chargeable or any vehicle or animal on which the toll is chargeable, or any part of its burden of sufficient value to satisfy the demand.

(2) The Corporation after the lapse of five days from the seizure, and after the issue of proclamation fixing the time and place of sale, may cause any property so seized, or so much thereof, as may be necessary to be sold by auction to satisfy the demand with the expenses occasioned by the seizure, custody and sale thereof, unless the demand and expenses are in the mean time paid:

Provided that, by order of the Commissioner articles of a perishable nature which cannot be kept for five days without serious risk of damage may be sold after the lapse of such shorter time as he may, having regard to the nature of the articles, think proper.

**118. Tax on vehicles and animals.**

(1) A tax under clause (c) of sub- Section (1) of Section 90 shall be levied at rates specified, from time to time by the Government in this behalf on -

(a) vehicles, Other than mechanically propelled vehicles, and Other conveyance plying for hire and kept within the City;

(b) animals used for riding, driving, draught or burden, when kept within the City; and

(c) dogs kept within the City.

(2) A vehicle or animal kept outside the limits of the City but regularly used within such limits shall be deemed to be kept for use in the City.

**119. Tax on whom leviable. –**

The tax on vehicles or animal shall be leviable upon the owner of, or the person having possession or control of, such vehicles or animals in respect of which the tax is leviable. Provided that in the case of an animal generally used or employed in drawing any vehicle, the tax in respect of such animal shall be leviable upon the owner of, or the person having possession or control of such vehicle, whether or not such animal is owned by such owner or person.

**120. Exemptions from taxes on vehicles and animals. –**

(1) The tax-under clause (a) of sub-section (1) of Section 118 shall not be leviable in respect of-

- (a) vehicles belonging to the Corporation, Government or the Union of India;
- (b) vehicles intended exclusively for the conveyance free of charge of the injured, the sick or the dead;
- (c) children's perambulators or tricycles (d) vehicles kept by bona fide dealers in vehicles merely for sale and not for use.

(2) The tax under clause (b) of sub-section (1) of Section 118 shall not be leviable in respect of animals belonging to the Corporation, Government or Union of India.

**121. Tax when payable. –**

The tax on vehicles or animals shall be payable in advance in such number of instalments and in such manner as may be determined by bye-laws made in this behalf.

**122. Tax on advertisements. –**

(1) 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 cinematography), 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.

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

- (a) relates to a public meeting, or to an election to Parliament or Legislative Assembly or the Corporation or to candidature in respect of such election; or
- (b) is exhibited within the window of any building if the advertisement relates to the trade, profession or business carried in that building ; or
- (c) relates to the trade, profession or business carried on within the land or building upon or over which such advertisement is exhibited or to any sale or letting of such land or building or any effects therein}..or  
to any sale entertainment or meeting to be held on or upon or in me same; or
- (d) relates to the name of the land or building upon or over which the advertisement is exhibited, or to the name of the owner or occupier of such land or building; or
- (e) relates to the business of a railway administration and is exhibited within any railway station or upon any wall or other property of a railway administration; or
- (f) relates to any activity of the Government or Union of India or the Corporation.

(2) The tax on any advertisement leviable under this section shall be payable in advance in such number of instalments 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.

**123. Prohibition of advertisements without written permission of Commissioner.**

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

(2) The Commissioner 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 Commissioner shall grant permission for the period to which the payment of the tax relates and no fee shall be charged in respect of such permission.

**124. Permission of Commissioner to become void in certain cases. –**

The permission granted under Section 123 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 Commissioner;  
(c) if the advertisement or any part thereof falls otherwise than through accident;  
(c) 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 if such addition or alteration involves the disturbance of the advertisement or any part 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.

**125. Presumption in case of contravention. –**

Where any advertisement has been erected, exhibited, fixed or retained upon or over any land, building, 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-laws made there under it shall be presumed, unless and until contrary is proved, that the contravention has been committed by the person or the person on whose behalf the advertisement purports to be or the agents of such person or persons.

**126. Power of Commissioner in case of contravention. –**

If any advertisement is erected, exhibited or fixed, retained in contravention of the provisions of Section 123, the Commissioner may require the owner or occupier of the

land, buildings, wall, boarding, frame, post or structure or vehicle upon, or over or in which the same is erected, exhibited, fixed or retained, to take down or remove such advertisement or may enter any land, building, property or vehicle and have the advertisement dismantled, taken down or removed or spoiled, defaced or screened.

**127. Tax on building applications. –**

Every person who makes an application to the Commissioner for the sanction of a building plan shall pay along with the application tax at such rate as may, from time to time, be specified by the Government.

**128. Levy of development tax. –**

The Corporation shall charge development tax on the increase in the value of the land or building comprised in a scheme put into operation within the City under Chapter XIX, but not actually required for the execution thereof.

**129. Amount of development tax. –**

The development tax shall be an amount equal to one-half of the difference between the market value of the land or building on the date specified in the notification issued under Section 131 and the market value of such land or building on or immediately before the date on which the scheme after sanction is finally notified under Chapter XIX: Provided that for the purpose of calculation under this section the land shall be treated as free of all buildings.

**130. Payment of development tax. –**

Every owner of land or building mentioned in Section 128 or any person, having an interest therein in respect of the increase in the value of such land or building shall in the manner hereinafter provided pay to the Corporation such development tax as may be assessed by the Commissioner.

**131. Notice of completion of scheme. –**

The State Government shall, by notification in the Official Gazette, declare the date on which a scheme shall be deemed to have been completed.

**132. Assessment of development tax. –**

(1) The Commissioner or an officer authorised by him in this behalf shall at any time after the publication of the 'notification under Section 131 assess the amount of development tax payable by the person concerned and shall give a notice in writing, to such person stating the amount of the tax and the instalments, if any, and the dates on which the tax shall be paid together with such other particulars as may be necessary.

(2) Any person on whom a notice of assessment is served under sub-section ( 1 ) may, within one month from the date of service of such notice file an objection against such assessment before the Commissioner or an officer authorised by him in this behalf: Provided that an objection may be entertained after the expiry of the period of one month if the Commissioner or an officer authorised by him under sub-section ( 1 ) is satisfied that the failure to file objection was due to any cause beyond the control of the objector.

(3) After an opportunity has been given to the objector of being heard, the Commissioner or an officer authorised under sub-section ( 1 ) shall decide the objection and may then confirm, modify or cancel the assessment.

(4) If the person on whom a notice of assessment is served under sub-section (1) fails to file an objection under sub-section (2), the order of assessment shall be conclusive and shall not be questioned before any Court or Tribunal.

**133. Supplementary taxation. –**

Whenever the Corporation decides to have recourse to supplementary taxation under sub-section (2) of Section 88 in any year, it shall do so by increasing any tax leviable under this Act by such rate and from such date as the Government may determine.

**134. Time and manner of payment of taxes. –**

Save as otherwise provided in this Act, any tax levied under this Act shall be payable on such dates, in such number of instalments and in such manner as may be determined by bye-laws made in this behalf.

**135. Presentation of bill. –**

( 1 ) When any tax has become due, the Commissioner shall cause to be presented to the person liable for the payment thereof, a bill for the amount due:

Provided that no such bill shall be necessary in the case of

- (a) a tax on vehicles and animals;
- (b) a theatre-tax; and
- (c) a tax on advertisements.

(2) Every such bill which shall be in the prescribed form shall for the purposes of this Act, be considered a notice of demand shall specify the particulars of the tax and the period for which the charge is made.

(3) If the amount specified in the bill is paid within a period of fifteen days from the presentation thereof a rebate of five per cent shall be allowed in the amount of tax.

(4) If the tax on vehicles and animals or the theatre-tax or the tax on advertisements is not paid after it has become due, the Commissioner may cause to be served upon the person liable for the payment of the same a notice of demand in the prescribed form.

(5) For every notice of demand served under sub-section (4) a fee of such amount not exceeding five rupees as may be determined by bye-laws made in this behalf shall be payable by the person on whom the notice is served and shall be included in the costs of recovery.

**136. Recovery from a person about to leave the City. –**

If the Commissioner has reason to believe that any person from whom any sum is due or is about to become due on account of any tax is about to move from the City, he may

direct the immediate payment by such person of the sum so due or about to become due and cause a notice of demand for the same to be served on such person.

**137. Consequences of failure to pay tax within thirty days. –**

If the person liable for the payment of any tax does not within thirty days from the service of the notice of demand under sub-section (2) or sub-section (4) of Section 135, or under Section 136, pay the same, the tax together with the costs of recovery shall be recoverable in the manner provided hereinafter.

**138. Manner of recovering tax. –**

Any sum due on account of tax payable under this Act may be recovered, together with costs of recovery, by the following processes, in the manner prescribed-

- (1) by distraint and sale of a defaulter's movable property;
- (2) by the attachment and sale of a defaulters immovable property;
- (3) in the case of octroi and toll, by the seizure and sale of goods and vehicles;
- (4) in the case of taxes on lands and buildings by the attachment of rent due in respect of the property; and
- (5) by a suit.

**139. Power of seizure of vehicles and animals in case of non-payment of tax thereon.**

(1) If the tax on any vehicle or animal is not paid. then. instead of proceeding against the defaulter by. distress and sale of his other movable property, the Commissioner may, at any time after the tax has become due, seize and detain the vehicle or animal or both, and if the owner or other person entitled thereto does not within seven days in respect of a vehicle and two days in respect of an animal from the date of such seizure and detention, claim the same and pay the tax due together with the charges incurred in connection with the Seizure and detention, the Commissioner may cause the same to be sold and apply the proceeds of the sale or such part thereof as is required in the discharge of the sum due and the charges incurred as aforesaid.

(2) The surplus, if any, remaining after the application of the sale proceeds under sub-section (1) shall, immediately after the sale of the property, be credited to the Corporation Fund and notice of such credit shall be given at the same time to the person whose property has been sold or his legal representative and if the same,, claimed by written application to the Commissioner within one year from the date of the notice, a refund thereof shall be made to such person or his representative.

(3) Any surplus not claimed within one year as aforesaid shall be the property of the Corporation.

**140. Demolition, etc., of building. –**

If any building is wholly or partly demolished or destroyed or otherwise deprived of value, the Commissioner may, on the application in writing of the owner or occupier, remit or refund such portion of any tax assessed on the rateable value thereof as he thinks fit.



**141. Remission or refund of tax. –**

( 1 ) If any building together with land appurtenant thereto has remained vacant and unproductive of rent for sixty or more consecutive days, the Commissioner shall remit or refund, as the case may be, two-thirds of such portion of the fire tax and the general tax assessed on the rateable value thereof as may be proportionate to the number of days during which the said building together with the land appurtenant thereto has remained vacant and unproductive of rent.

(2) If any land, not being land appurtenant to a building, has remained vacant and unproductive of rent for sixty or more consecutive days, the Commissioner shall remit or refund, as the case may be, one-half of such portion of the fire tax and the general tax assessed on the rateable value thereof, as may be proportionate to the number of days during which the said land has remained vacant and unproductive of rent:

(3) If any land whether appurtenant to a building or not or any building has remained vacant and unproductive of rent for sixty or more consecutive days, the Commissioner shall remit or refund, as the case may be, such }portion of the water tax assessed on the rateable value thereof as may be proportionate to the number of days during which the said land or building has remained vacant and unproductive of rent:

Provided that no remission or refund of the water tax shall be allowed unless an application in such form as may be prescribed by bye-laws made in this behalf has been made to the Commissioner to stop the supply of water to such land or building or unless the Commissioner is satisfied that having regard to the circumstances of any case such remission or refund should be allowed.

**142. Power to require entry in assessment list of details of buildings. –**

(1) For the purpose of obtaining a partial remission or refund of tax, the owner of a building composed of separate tenements may request the Commissioner, at the time of the assessment of the building, to enter in the assessment list. in addition to the rateable value of the whole building, a note regarding any detail of the rateable value of each separate tenement.

(2) When any tenement, the rateable value of which has been thus separately recorded, has remained vacant and unproductive of rent for sixty or more consecutive days, such portion of any tax assessed on the rateable value of the whole building shall be remitted or refunded as would have been remitted or refunded ff the tenements had been separately assessed.

**143. Notice to be given of circumstances in which remission or refund is claimed. -**

No remission or refund under Section 141 or Section 142 shall be made unless notice in writing of the fact that the land. building or tenement has become vacant and unproductive of rent has been given to the Commissioner and no remission or refund shall take effect in respect of any period commencing more than fifteen days before delivery of such notice.

**144. What buildings etc. are to be deemed vacant. –**

(1) For the purposes of Sections 141 and 142. no land. building or tenement shall be deemed vacant if maintained as a pleasure resort or town or country house or be deemed unproductive of rent if let to a tenant who has a continuing right of occupation thereof, whether he is in actual occupation or not.

(2) The burden of proving the facts entitling any person to claim relief under Section 140 or Section 141 or Section 142. shall be upon him.

**145. Notice to be given of every occupation of vacant land or building. –**

The owner of any land, building or tenement in respect of which a remission or refund of tax has been given under Section 141 or Section 142; shall give notice of the re-occupation of such land, building or tenement within fifteen days of such re-occupation.

**146. Appeal against assessment, etc. –**

( 1 ) An appeal against the levy or assessment of any tax under this Act shall lie to the Divisional Commissioner and every such appeal shall, subject to the provisions of this Act. be received. heard and disposed of within the local area of the City.

(2) If, before or on the hearing of an appeal under this section, any question of law or usage having the force of law or construction of a document arises, the Divisional Commissioner on his own motion may, or on the application of any party to the appeal, shall, draw up a statement of the facts of the case and the question so arising and refer the statement with his opinion on the question for the decision of the High Court.

(3) On a reference being made under sub-section (2), the subsequent proceedings in the case shall be, as nearly as may be, in conformity with the rules relating to references to the High Court contained in Order XLVI of the First Schedule to the Code of Civil Procedure, 1908.

(4) In every appeal, the costs shall be in the discretion of the appellate authority.

(5) Costs awarded under this section to the Corporation shall be recoverable by the Corporation as an arrear of tax due from the appellant.

(6) If the Corporation fails to pay any costs awarded to an appellant within ten days after the date of the order for payment thereof, the appellate authority may order the Commissioner to pay the amount to the appellant.

**147. Conditions of right to appeal. –**

No appeal shall be entertained under Section 146, unless-

(a) the appeal is. in the case of tax on lands and buildings, brought within thirty days next after the date of authentication of the assessment list under Section 101 (exclusive of the time requisite for obtaining a copy of the relevant entries therein), or, as the case may be, within thirty days of the date on which an amendment is finally made under Section 103, and in the case of any other tax. Within thirty days next after the date of the receipt

of the notice of assessment Or of alteration of assessment or, if no notice has been given, within thirty days after the date of service of the first notice of demand in respect thereof: Provided that an appeal may be admitted after the expiration Of the period prescribed therefor by this section if the appellate satisfies the appellant authority that he had sufficient cause for not preferring the appeal within that period';  
(b) the amount, if any, in dispute in the appeal has been deposited by the appellant in the office of the Corporation.

**148. Finality appellate orders. –**

The order of the appellate authority confirming, setting aside or modifying an order in respect of any rateable value or assessment or liability to assessment or taxation shall be final:

Provided that it shall be lawful for the appellate authority, upon application or on its own motion, to review any order passed by it in appeal within three months from the date of the order to correct any clerical error or any error apparent on the face of record.

**149. Taxation not to be questioned except under this Act. –**

( 1 ) No objection shall be taken to any valuation or assessment, nor shall the liability of any person to be assessed or taxed be questioned, in any other manner or by any other authority than is provided in this Act.

(2) No refund of any tax shall be claimable by any person otherwise than in accordance with the provisions of this Act and the rules thereunder.

**150. Power to inspect for purposes of determining rateable value or tax. –**

( 1 ) The Commissioner or any other person authorised by him in this behalf, may, without giving any previous notice, enter upon and make an inspection of -

(a) any land or building for the purpose of determining the rateable value of such land or building:

(b) any stable, garage, or coach house or any place wherein he may have reason to believe that there is any vehicle or animal liable to a tax under this Act;

(c) any place or premises which he has reason to believe are being used or are about to be used for any performance or show in respect of which the theatre tax is payable or would be payable;

(d) any land, building or vehicle in or upon which any advertisement liable to tax under this Act is exhibited or displayed.

(2) The Commissioner may, by written summons, require the attendance before him of any person whom he has reason to believe to be liable to the payment of a tax in respect of a vehicle or animal, or of any servant of any such person and may examine such person or servant as to the number and description of vehicles and animals owned by or in the possession or under the control of such person; and every person or servant of such person so summoned shall be bound to attend before the Commissioner and to give information to the best of his knowledge and belief as to the said matters.

**151. Composition. –**

(1) Subject to the rules made in this behalf, the Commissioner may, with the previous sanction of the Corporation allow any person to compound for any tax for a period not exceeding one year at a time.

(2) Every sum due by reason of the composition of a tax under sub-section (1) shall be recovered as an arrear of tax under this Act.

**152. Irrecoverable debts. –**

(1) The Commissioner may write off any sum due on account of any tax or of the costs of recovering any tax if such sum is, in his opinion, irrecoverable:  
Provided that no sum exceeding one hundred rupees shall be written off in favour of any one person without the previous sanction of the Corporation.

(2) The Commissioner shall report to the Corporation every case in which any sum has been written off under sub-section (1).

**153. Obligation to disclose liability. –**

(1) The Commissioner may, by written notice, call upon any inhabitant of the City to furnish such information as may be necessary for the purpose of ascertaining

(a) whether such inhabitant is liable to pay any tax imposed by the Corporation under this Act.

(b) at what amount he should be assessed; or

(c) The rateable value of the land or building which he occupies and the name and address of the owner or lessee thereof.

(2) If any person when called upon under sub-section (1) to furnish information neglects to furnish it within the period specified in this behalf by the Commissioner or furnishes information which is not true to the best of his knowledge or belief, he shall be liable, in addition to any penalty which may be imposed under this Act, to be assessed at such amount on account of tax as the Commissioner may deem proper, and the assessment so made shall, subject to the provisions of this Act, be final.

**154. Power to amend list in Certain cases**

(1) Notwithstanding anything contained in this Chapter, where the prescribed authority is satisfied that any property has been erroneously valued or assessed through fraud, accident or mistake whether on the part of the Corporation or any officer or employee of the Corporation or of the assessee, it may, after giving to the assessee an opportunity of being heard and after making such enquiry as it 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 list then in force shall, subject to the order any, passed in appeal, be deemed to have been amended accordingly with effect from first day of January, or first day of April, or first day of July, or first day of October next following the month in which the order is passed.

(2) Any person aggrieved by an order of the prescribed authority may within a period of thirty days of the date of communication to him of the order, file an appeal to the Government which shall decide the appeal after giving to the appellant an opportunity of being heard.

**155. Immaterial error not to affect liability. –**

No assessment and no charge or demand on account of any tax shall be impeached or affected by reason only of any mistake in the name, residence, place of business or occupation of any person liable to pay the tax or in the description of any property or thing, or of any mistake in the amount of the assessment, charge or demand, or by reason only of clerical error or other defect of form, if the directions contained in this Act and the bye-laws made thereunder have in substance and effect been complied with; and it shall be enough in the case of any such tax on property or any assessment of value for the purpose of any such tax, if the property taxed or assessed is so described as to be generally known, and it shall not be necessary to name the owner or occupier thereof.

**156. Power of exemption. –**

(1) The Corporation may, by resolution passed in this behalf, exempt either wholly or in part from the payment of any tax levied under this Act, any class of persons or any class of property or goods.

(2) The Corporation may also exempt, in whole or in part for any period not exceeding one year from the payment of any tax, any person who by reason of poverty may in its opinion, be unable to pay the same, and may renew such exemption as often may be necessary.

**157. Powers of Government in regard to taxes. –**

The Government may by order exempt in whole or in part from the payment of any such tax any person or class of persons or any property or description of property.

(2) If at any time it appears to the Government on complaint made or otherwise, that any tax imposed under the foregoing sections is unfair in its incidence or that the levy thereof or of any part thereof, is injurious to the interests of the general public, it may require the Corporation to take within a specified period measures to remove the objection, and, if within that period the requirement is not complied with to the satisfaction of the Government, the Government may by notification suspend the levy of the tax or of such part thereof until the objection has been removed.