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Thirteenth Kerala Legislative Assembly

Bill No. 390

THE KERALA LAND TAX (AMENDMENT) BILL, 2016

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further to amend the Kerala Land Tax Act, 1961.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Land Tax Act, 1961 for the purposes hereinafter appearing;

BE it enacted in the Sixty-seventh Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Land Tax (Amendment) Act, 2016.

(2) It shall be deemed to have come into force on the 30th day of September, 2014.

2. *Amendment of section 6.*—In section 6 of the Kerala Land Tax Act, 1961 (13 of 1961), (hereinafter referred to as the principal Act), for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Subject to the provisions of sub-section (2) of section 7, the basic tax charged and levied per annum under section 5 shall be at the rates as shown in the Table below:

TABLE

I. In Panchayat areas:

up to 8 Are	.. ₹ 1 per Are
up to 2 Hectare	.. ₹ 2 per Are
above 2 Hectare	.. ₹ 400 plus ₹ 5 per Are for land in excess of two Hectare.

II. In Town Panchayats and Municipal Council areas:

up to 3 Are	.. ₹ 2 per Are
up to 2 Hectare	.. ₹ 4 per Are
above 2 Hectare	.. ₹ 800 plus ₹ 10 per Are for land in excess of two Hectare.

III. In Municipal Corporation areas:

up to 2 Are	.. ₹ 4 per Are
up to 2 Hectare	.. ₹ 8 per Are
above 2 Hectare	.. ₹ 1,600 plus ₹ 20 per Are for land in excess of two Hectare.

Note:—Any excess tax paid on or after 30th day of September, 2014 may be adjusted against future dues.”

3. *Repeal and saving*.—(1) The Kerala Land Tax (Amendment) Ordinance, 2016 (2 of 2016) is hereby repealed.

(2) Notwithstanding such repeal, anything done or deemed to have been done or any action taken or deemed to have been taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

As part of the steps for mobilization of additional resources for improving the financial position of the Government the Kerala Land Tax Act, 1961 (13 of 1961) was amended by the Kerala Taxation Laws (Amendment) Act, 2014 (1 of 2015). As per the said Amendment Act the basic tax was charged and levied was increased to Rs. 5 per Are in Panchayat areas and Rs. 10 per Are in Municipal Council/Township areas and Rs. 20 per Are in Municipal Corporation areas.

2. As per the proviso to sub-section (1) of section 6 of the said Act, the basic tax charged and levied on such land is, two rupees and fifty paise in Panchayat area, where the aggregate extent of land does not exceed 8.1 Ares, five rupees in the Town Panchayat and Municipal Council area, where the aggregate extent of land does not exceed 2.43 Ares and ten rupees in the Municipal Corporation area, where the extend of land does not exceed 1.62 Ares.

3. Government found that, such an increase in the basic tax is adversely affecting the ordinary farmers. Therefore Government have decided to reduce the basic tax so increased, in such a way to charge and levy basic tax at the rate of Re. 1 per Are up to 8 Ares, Rs. 2 per Are up to 2 hectares and Rs. 400 plus Rs. 5 per Are to land in excess of two hectares in Panchayat areas; Rs. 2 per Are up to 3 Are, Rs. 4 per Are up to 2 hectare and Rs. 800 plus Rs. 10 per Are up to land in excess of two hectares in Town Panchayat and Municipal Council

areas; Rs. 4 per Are up to 2 Are, Rs. 8 per Are up to 2 hectares, Rs. 1,600 plus Rs. 20 per Are up to land in excess of two hectares in Municipal Corporation areas. Government have decided to amend the Kerala Land Tax Act, 1961 for the above purpose.

4. As the Legislative Assembly of the State of Kerala was not in session and the above proposal had to be given effect to immediately, the Kerala Land Tax (Amendment) Ordinance, 2015 was promulgated by the Governor of Kerala on the 3rd day of October, 2015 and the same was published as Ordinance No. 16 of 2015 in the Kerala Gazette Extraordinary No. 2234 dated 3rd October, 2015.

5. Though a Bill to replace the said Ordinance by the Act of the State Legislature was published as Bill No. 383 of the Thirteenth Kerala Legislative Assembly, the same could not be introduced in and passed by, the Kerala Legislative Assembly during its session which commenced on the 30th day of November, 2015 and ended on the 17th day of December, 2015.

6. As the Legislative Assembly of the State of Kerala was not in session and the provisions of the said Ordinance have to be kept alive, the Kerala Land Tax (Amendment) Ordinance, 2016 (2 of 2016) was promulgated by the Governor of Kerala on the 9th day of January, 2016 and the same was published in the Kerala Gazette Extraordinary No. 54 dated, the 9th day of January, 2016.

7. The Bill is intended to replace the Ordinance No. 2 of 2016 by an Act of the State Legislature.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

ADOOR PRAKASH

EXTRACT FROM THE RELEVANT PORTIONS OF THE
KERALA LAND TAX ACT, 1961
(13 OF 1961)

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6. *Rate of basic tax.*—(1) Subject to the provisions of sub-section (2) of section 7, the basic tax charged and levied under section 5 shall be at the rate of five rupees in Panchayat areas, ten rupees in Town Panchayat and Municipal Council areas and twenty rupees in Municipal Corporation areas per Are per annum:

Provided that, where the aggregate extent of land held by a land holder does not exceed 8.1 Ares in a Panchayat area, 2.43 Ares in Town Panchayat and Municipal Council Area and 1.62 Ares in Municipal Corporation area, the basic tax charged and levied on such land shall be at the rate of two rupees and fifty paise in the Panchayat area, five rupees in the Town Panchayat and Municipal Council area and ten rupees in the Municipal Corporation area, per Are per annum.

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