

THE KERALA BUILDING TAX (AMENDMENT) BILL, 2023

(As passed by the Assembly)

A

BILL

further to amend the Kerala Building Tax Act, 1975.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Building Tax Act, 1975 (7 of 1975) for the purposes hereinafter appearing;

BE it enacted in the Seventy-fourth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Building Tax (Amendment) Act, 2023.

(2) It shall come into force on such date as the Government may, by notification in the Gazette, appoint.

2. *Substitution of certain expression by certain other expression.*—In the Kerala Building Tax Act, 1975 (7 of 1975) (hereinafter referred to as the principal Act) for the words “luxury tax”, wherever they occur the words “additional tax” shall be substituted.

3. *Amendment of section 2.*—In section 2 of the principal Act, for explanation 2 to clause (e), the following explanation shall be substituted, namely:—

“*Explanation 2.*—(i) Where a building consists of different apartments or flats, as the case may be, owned by different persons, each such apartment or flat, as the case may be, shall be deemed to be a separate building and the assessment shall be on the basis of ownership and the plinth area shall be, as may be, specified in the software/occupancy certificate/tax assessment details, as the case may be, approved by Local Self Government Institutions.

(ii) If a builder remains the owner of the whole or part of the building then he shall be liable to pay building tax and additional tax, as the case may be, for the aggregate plinth area in respect of the flats or apartments, as the case may be, that are retained by him and if the owner sells away the whole or part of the building retained by him after the assessment, each part shall be assessed separately on the basis of ownership for the purpose of additional tax only.

(iii) If a person purchases more than one flat or apartment which are interconnected with each other, it shall be considered as a single unit and he shall be liable to pay building tax and additional tax, as the case may be, on the basis of aggregate plinth area and if the flat or apartment are not interconnected with each other, each flat or apartment shall be assessed separately.”.

4. *Amendment of section 5A.*—In section 5A of the principal Act,—

(i) for marginal heading the following shall be substituted, namely:—

“*Certain category of residential buildings*”;

(ii) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Notwithstanding anything contained in this Act, there shall be charged an additional tax annually at the rate specified in the Schedule II on all residential buildings having the plinth area of and above 278.7 square metres completed on or after the 1st day of April, 1999.”.

5. *Substitution of new section for section 6.*—In the principal Act, for section 6, the following section shall be substituted, namely:—

“6. *Determination of plinth area for the purpose of assessment of building tax or additional tax.*—The plinth area of a building for the purpose of assessment of building tax or additional tax, as the case may be, under this Act shall be the

plinth area of such building as may be specified in the software/occupancy certificate/tax assessment details, as the case may be, approved by Local Self Government Institutions.”.

6. *Amendment of section 13.*—For sub-section (2) of section 13 of the principal Act, the following sub-section shall be substituted, namely:—

“(2) The District Collector shall not, *suo motu*, revise an order under sub-section (1) if that order has been passed more than one year previously.”.

7. *Substitution of new section for section 21.*—In the principal Act, for section 21, the following section shall be substituted, namely:—

“21. *Furnishing false statements for assessment.*—On further verification, if it is found that the information provided by the owner in the return under section 7 or amended return under section 8 filed before the assessing authority for assessment is false, fifty per cent of the building tax shall be levied as fine.”.
