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**REPORT OF THE SUBJECT COMMITTEE  
ON  
THE KERALA BUILDING TAX  
(AMENDMENT) BILL, 2023  
AND  
THE BILL AS REPORTED BY THE SUBJECT  
COMMITTEE**

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Presented on 11<sup>th</sup> September, 2023

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SUBJECT COMMITTEE II  
(LAND REVENUE AND DEVASWOM)  
(2021-2023)

**Composition**

Chairman:

Shri K. Rajan,  
Minister for Revenue and Housing.

Ex-Officio Member:

Shri K. Radhakrishnan,  
Minister for Welfare of Scheduled Castes, Scheduled Tribes,  
Backward Classes, Devaswom and Parliamentary Affairs.

Members:

DR. N. Jayaraj  
Shri N. A. Nellikkunnu  
Shri K. D. Prasenani  
Shri P. T. A. Rahim  
Shri M. Rajagopalan  
Shri Ramachandran Kadannappalli  
Shri Saneeshkumar Joseph  
Shri P. V. Sreenijin.

Legislature Secretariat:

Shri A. M. Basheer, Secretary  
Shri R. Venugopal, Joint Secretary  
Smt. Jayasree M., Deputy Secretary  
Shri Mohanan O., Under Secretary.

**THE KERALA BUILDING TAX  
(AMENDMENT) BILL, 2023**

(Report of the Subject Committee)

The Kerala Building Tax (Amendment) Bill, 2023 was referred to Subject Committee II (Land Revenue and Devaswom). Subject Committee II considered the Bill clause by clause and now submits this report with the Bill as reported by the Subject Committee annexed thereto.

2. The Kerala Building Tax (Amendment) Bill, 2023 was published as a Gazette Extraordinary dated 3-8-2023. The Bill was introduced in the Assembly on 10<sup>th</sup> August, 2023 and was referred to the Subject Committee II on the same day.

3. The Committee considered the Bill clause by clause at its meeting held on 10<sup>th</sup> August, 2023. The Committee recommends to adopt the bill with the following modifications.

Clause 3

In clause 3 of the bill for Amendment to Section 2 of the Principal Act, in the Explanation 2 -(ii), for the word “will” , the word “shall” be substituted.

4. All other changes are either verbal or consequential.

5. The minutes of dissent is appended.

Thiruvananthapuram,  
11<sup>th</sup> September, 2023.

K. RAJAN,  
*Chairman,*  
*Subject Committee II.*

APPENDIX- I

വിയോജനക്കുറിപ്പ്

1975 -ലെ കേരള കെട്ടിടനികുതി ആക്ട് പ്രകാരമുള്ള ഒറ്റത്തവണ കെട്ടിടനികുതിയും ആഡംബരനികുതിയും തദ്ദേശസ്വയംഭരണ വകുപ്പിന്റെ നികുതി നിർണ്ണയ വിശദാംശങ്ങളുടെ അടിസ്ഥാനത്തിൽ കണക്കാക്കുന്നതിനും ചുമത്തുന്നതിനും; ഭരണഘടനയുടെ 101-ാമത് ഭേദഗതി പ്രകാരം സംസ്ഥാന ലിസ്റ്റിലെ 69-ാമത് ഉൾക്കുറിപ്പിൽ നിന്നും ആഡംബരത്തിന്മേലുള്ള നികുതി ഒഴിവാക്കിയതിനാൽ ഭാവിയിൽ നികുതി പിരിക്കുന്നതിനും ഭരണഘടന ഭേദഗതിക്കുശേഷം പിരിച്ചെടുത്ത നികുതി തിരിച്ചു നൽകുന്ന ബാധ്യതയിൽ നിന്നും സർക്കാരിനെ ഒഴിവാക്കുന്നതിനും, നികുതി നിർണ്ണയത്തിനായി തെറ്റായ പ്രസ്താവനകൾ നൽകുന്നവർക്കെതിരെ ഇന്ത്യൻ ശിക്ഷാനിയമത്തിലെ 177-ാം വകുപ്പ് പ്രകാരമുള്ള നടപടികൾ സ്വീകരിക്കുന്നതിന് പകരം പിഴ ചുമത്തുന്നതിനാണ് ബില്ലിൽ വ്യവസ്ഥ ചെയ്തിരിക്കുന്നത്.

ഭരണഘടനാ ഭേദഗതിക്ക് ശേഷം പിരിച്ചെടുത്ത നികുതി തിരികെ നൽകുന്നത് ഒഴിവാക്കുന്നതിനായി ബില്ലിൽ ഉൾപ്പെടുത്തിയിട്ടുള്ള ചില വ്യവസ്ഥകൾ മുൻകാല പ്രാബല്യത്തോടെ നികുതി ഈടാക്കുന്നതിന് വ്യവസ്ഥ ചെയ്യുന്ന രീതിയിലുള്ളതാണ്. മുൻകാല പ്രാബല്യത്തോടെ നികുതി ഈടാക്കുവാൻ പാടില്ല എന്ന സുപ്രീം കോടതി വിധിക്ക് വിരുദ്ധമായ ഈ വ്യവസ്ഥകൾ സംബന്ധിച്ച് വ്യക്തത വരുത്തേണ്ടത് ആവശ്യമാണ്. കെട്ടിട നിർമ്മാണ പെർമിറ്റ് ഉൾപ്പെടെയുള്ള വിവിധ സേവനങ്ങൾക്ക് ഫീസ് ഉയർത്തി ജനങ്ങൾക്ക് അധിക ബാധ്യത നൽകുന്ന നയസമീപനമാണ് സ്വീകരിച്ചു വരുന്നത്. മേൽപ്പറഞ്ഞ കാരണങ്ങളാൽ ബില്ലിനോട് വിയോജിപ്പ് രേഖപ്പെടുത്തുന്നു.

എൻ. എ. നെല്ലിക്കുന്ന്

(ഒപ്പ്)

സനീഷ് കുമാർ ജോസഫ്

(ഒപ്പ്)

## APPENDIX- II

### THE KERALA BUILDING TAX (AMENDMENT) BILL, 2023

(As reported by the Subject Committee)

[The word underlined indicates the modification suggested by the Committee]

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 or 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 and the buildings that comprise the flats or apartments, as the case may be, are interconnected with each other, it shall be considered as single unit and liable to pay onetime tax or additional tax, on the basis of aggregate plinth area and if the buildings that comprise the flats or apartments, as the case may be, are not interconnected with each other, each flat or apartment, as the case may be, 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 above 278.7 square metres completed on or after the 1<sup>st</sup> 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 onetime building tax or additional tax.*—The plinth area of a building for the purpose of assessment of onetime 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.”.

Secretariat of the Kerala Legislature,  
Thiruvananthapuram,  
10th August 2023.

A. M. BASHEER,  
*Secretary.*