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**Himachal Pradesh Municipal Corporation (Amendment) Act,  
2011**

**32 of 2011**

**[29 July 2011]**

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**Himachal Pradesh Municipal Corporation (Amendment) Act,  
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AN ACT further to amend the Himachal Pradesh Municipal Corporation Act, 1994 (Act No. 12 of 1994). BE it enacted by the Legislative Assembly of Himachal Pradesh in the Sixty-second Year of the Republic of India as follows:--

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

(1) This Act may be called the Himachal Pradesh Municipal

Corporation (Amendment) Act, 2011.

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

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

In section 2 of the Himachal Pradesh Municipal Corporation Act, 1994 (hereinafter referred to as the principal Act)/ after clause (8), the following new clause shall be inserted, namely:-

"(8-a). "cattle" means domestic animals and includes elephants, camels, buffaloes, cows, oxen, horses, mares, geldings, ponies, colts, fillies, mules, asses, pigs, rams, ewes, sheep, lambs, goats and kids;"

## **3. Amendment Of Section 84 :-**

In section 84 of the principal Act,-

(a) in sub-section (1), after clause(b), the following proviso shall be inserted, namely:--

"Provided that no tax shall be imposed under clause (b) unless an opportunity has been given in the prescribed manner to the residents of the municipal area or to the affected parties to file objections and the objections, if any, thus received have been considered."; and

(b) sub-sections (2), (3), (4) and (5) shall be omitted.

## **4. Substitution Of Section 85 :-**

For section 85 of the principal Act, the following section shall be substituted, namely:--

"85. Fee and users charges.--

The Corporation may levy a fee and user charges for the services provided by it at such rates and in such manner as may be determined by the Corporation from time to time."

## **5. Substitution Of Section 86 :-**

For section 86 of the principal Act, the following section shall be substituted, namely:--

"86. Rate of tax on lands and buildings.--

Save as otherwise provided in this Act, the unit area rate of tax on lands and buildings within the municipal area shall be between one per cent to twenty five per cent of the rateable value of land and building, as may be determined by the Corporation from time to

time:

Provided that the Corporation may exempt wholly or partially or levy lower rate of tax on the lands and buildings or portion thereof, which is exclusively used for the purpose of public worship and the area of vacant lands and buildings or portion thereof, exclusively used for the purpose of public burial or as a cremation ground, or any other place used for the disposal of dead."

## **6. Omission Of Section 87 :-**

Section 87 of the principal Act shall be omitted.

## **7. Substitution Of Section 88 :-**

For section 88 of the principal Act, the following section shall be substituted, namely:--

"88. Determination of rateable value of lands and buildings assessable to taxes.--

The rateable value of lands and buildings assessable to taxes specified in section 86 shall be,--

(a) in the case of land, the rateable value shall be based upon per square metre of the actual area of land multiplied by the unit area rate of tax and relevant factors prescribed for the particular zone and in the case of building, the rateable value shall be based upon per square metre of plinth area multiplied by unit area rate of tax and relevant factor prescribed for the particular zone,

(b) for levy of tax on lands and buildings, the entire municipal area shall be divided into different zones and each zone shall have relevant factors having different values.

(c) for the purpose of determination of unit area tax, there shall be five factors i.e (i) location, (ii) occupancy, (iii) age of -building, (iv) use of building and (v) type of structure. Each factor shall have different value for different zone as may be determined by the Corporation, from time to time.

(d) the mode for levy, calculation and assessment of tax as per provisions of this Act, which relates to the classification, usages of the buildings or apportionment of buildings or vacant land and open spaces forming part of the land and building shall be prescribed by bye-laws:

Provided that annual deduction of ten per cent on the rateable value of building shall be allowed on account of repair and maintenance expenses necessary for the maintenance of the building and a rebate of ten per cent shall also be allowed on the

amount of tax, in case the amount of tax specified in the bill is paid within fifteen days from the date of receipt of such bill, however, this rebate shall not be applicable in the case of defaulters who are in arrear of tax and shall be liable for penalty of five percent of the tax due."

#### **8. Amendment Of Section 89 :-**

In section 89 of the principal Act, for the existing second proviso, the following proviso shall be substituted, namely:-

"Provided that the public sector undertakings or companies owned and controlled fully or partially by the Central Government shall be assessable to taxes under the provisions of this Act or bye-laws made thereunder, and shall also be liable to pay fee or service charges, as the case may be, in lieu of services provided by the Corporation."

#### **9. Substitution Of Section 90 :-**

For section 90 of the principal Act, the following section shall be substituted, namely:-

"90. Incidence of taxes on lands and buildings.--

(1) The taxes on lands and buildings shall be primarily leviable upon the owner and in the absence of owner, it shall be leviable and recovered from the occupier including tenants.

(2) The assessment, levy and payment of tax on land and building shall not in any manner confer any right, title or interest in the property upon either on the owner or the occupier and shall not be a proof of the fact that the building or premises is authorized one and further that any building or premises or part thereof which is erected in contravention of the provisions of this Act, regulations or bye-laws made thereunder, shall not be considered for regularization by virtue of being assessed to tax on lands and buildings under the provisions of this Act/.

#### **10. Ommission Of Section 91, 102 And 107 To 114 :-**

Sections 91, 102 and 107 to 114 of the principal Act shall be omitted.

#### **11. Amendment Of Section 115 :-**

In section 115 of the principal Act,--

(a) in the heading, for the word "tax", the word "fees" shall be

substituted; and

(b) in sub-section (1), for the words "specified by the Government", the words "specified by the Corporation" shall be substituted.

**12. Omission Of Section 120 :-**

Section 120 of the principal Act shall be omitted.

**13. Amendment Of Section 157 :-**

In section 157 of the principal Act, for clauses (a) to (g), the following clauses shall be substituted, namely:--

"(a) the Commissioner, with the prior approval of the standing committee, constituted under sub-section (4) of section 40 of this Act, may dispose of, by sale, lease or otherwise, any moveable or immovable properties belonging to the Corporation, by public auction;

(b) the mode and condition precedent to the transfer of immovable property, shall be governed by regulations or bye-laws made by the Corporation; and

(c) the Commissioner shall maintain a register giving therein the detail of the immovable properties and prepare annual statement indicating the changes, if any, in the said inventory, in such manner as may be prescribed by bye-laws and shall place the same before the Corporation for consideration at the end of the year".

**14. Amendment Of Section 159 :-**

In section 159 of the principal Act,--

(a) for clauses (c) and (d), the following clause shall be substituted, namely:--

"(c) every contract involving an expenditure not exceeding rupees five lac or such higher amount as the Corporation may fix, may be made by the Commissioner."

(b) for the existing proviso, the following proviso shall be substituted, namely:--

"Provided that the contract exceeding rupees five lac in value or such higher amount as the Corporation may fix, shall be made by the Commissioner only after prior approval of the Corporation."

**15. Amendment Of Section 254 :-**

In section 254 of the principal Act, for sub-section (6), the

following shall be substituted, namely:--

"(6) Notwithstanding anything to the contrary contained in this Act, the Commissioner, shall, within three months after affording an opportunity of being heard, deny or withdraw the no objection certificate issued for installation of electricity connection, the civic amenities including water and sewerage connection, if the owner, or the occupier of the building carry out unauthorized construction without sanction or make deviations from the sanctioned plan, erection of a building on any Government land or land vested in the Corporation, or by covering any public road, street, path or drain or obtain sanction on misrepresentation or by concealing material facts at the time of making the application for sanction of building plan and shall dispose of the proceedings within six months."

**16. Insertion Of New Section 254-A :-**

After section 254 of the principal Act, the following new section shall be inserted, namely:--

"254-A. Power to seal unauthorized development or construction.--

(1) It shall be lawful for the Commissioner, at any time, before or after making an order of demolition or stoppage of building works under section 253 or section 254 to make an order directing the sealing of such development in the manner as may be prescribed by bye-laws made by the Corporation for the purpose of carrying out the provisions of this Act, or for preventing any dispute as to the nature and extent of such development.

(2) Where any development has been sealed under sub-section (1), the Commissioner may, for the purpose of demolishing such development, order the seal to be removed.

(3) No person shall remove such seal except, under an order made by the Commissioner under sub-section (2) or under an order of the appellate authority made in an appeal under this Act."

**17. Insertion Of New Section 324-A :-**

After section 324 of the principal Act, the following new section shall be inserted, namely:--

"324-A. Registration of cattle and maintenance of their record.--

(1) Head of every family shall be responsible to give or cause to be given, either orally or in writing, the details of cattle owned by his family to the Corporation within a period of one month from the commencement of the Himachal Pradesh Municipal Corporation (Amendment) Act, 2011, and thereafter, every time as and when

any change in the number of cattle takes place by any reason.

(2) On receipt of the details of cattle under sub-section (1), the Corporation shall register cattle and shall maintain records thereof in such manner as may be notified by the Corporation:

Provided that the Corporation may charge registration fee at such rate as may be fixed by it.

(3) It shall be the duty of the Corporation to assist the officials or persons engaged by Animal Husbandry Department for applying appropriate identification mark on each cattle and to maintain the record of identification.

(4) If any cattle with identification mark is found stray, the owner of the cattle shall be identified by the Corporation from the record maintained by it and such owner shall be liable for penalty of rupees five hundred for the first offence which shall be imposed by the Commissioner or the Officer authorized by him in this behalf.

(5) If the Corporation fails in identifying such stray cattle due to tempering with identification mark or mutilation thereof, it shall report the matter to the In-charge of the nearest Animal Husbandry Department who shall lodge the stray cattle to the nearest Goshala."

### **18. Amendment Of Section 396 :-**

In section 396 of the principal Act,--

(a) before the words and sign "Any bye-laws", the brackets and figure "(1)" shall be inserted; and

(b) in sub-section (1) as so re-numbered, for the words "five hundred rupees " and "fifty rupees", wherever these occur, the words "fifty thousand rupees" and "five thousand rupees" shall respectively be substituted.

### **19. Substitution Of Section 397 :-**

For section 397 of the principal Act, the following section shall be substituted, namely:--

"397. Supplemental provisions respecting bye-laws.--

Any power to make bye-laws conferred by this Act is conferred subject to the condition that bye-laws being made after previous publication by the Corporation, after having been published in Official Gazette for inviting public objections:

Provided that State Government may cancel any such bye-law if found to be contrary to the provisions of this Act or the rules made thereunder and thereupon the bye-law shall cease to have effect."

## **20. Insertion Of New Section 402-A :-**

After section 402 of the principal Act, the following new section shall be inserted, namely:--

"402-A. Power to review.--

The Commissioner may, on his own or on the application made by any of the party to the proceedings, review the order passed by him under this Act, in accordance with the provisions of order XLVII of the Code of Civil Procedure, 1908 and may modify or reverse the same accordingly."