

Municipal Taxation Act, 1881

11 of 1881

[25 February 1881]

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STATEMENT OF OBJECTS AND REASONS "By the twenty-fourth section of the Cantonments Act, 1880. the Governor-General in Council is empowered to prohibit the levy of any tax in a cantonment, or to exempt any person or class of persons from the operation of any tax leviable there. This power was conferred chiefly with a view to the exemption of military men in cantonments situate within the limits of municipalities from certain descriptions of municipal taxation. There are, however, cases in which, owing to the want of accommodation in cantonments or to some other cause, military men are compelled to reside within the limits of a municipality, but out of cantonments. In such cases the power in question is inapplicable; and it was accordingly proposed by the Select Committee on the Cantonment Bill that the defect should be supplied by a provision to be inserted in the Bill for the control of Municipal taxation for the introduction of which leave had then been granted. As, however, that Bill is not at present to be proceeded with. it has been thought desirable to make the necessary provisions in a separate Bill; and the present Bill has accordingly been prepared for this purpose. The bill also provides for the exemption of Government property from municipal taxation,

recent experience having shown such a power to be necessary".-
Gaz. of Ind., 1880. Part V, page 193.

1. Short title :-

This Act may be called the Municipal Taxation Act, 1881. Local extent It extends to the whole of India except 1[the territories, which immediately before the 1st November, 1956, were comprised in Part B States]; 2 [* * *].

1. Substituted for the words "Part B States", by 2 A.L.O., 1956. 1st Nov. 1956.

2. The words "and shall come into force at once" were omitted by the Repealing and Amending Act, 1914(10 of 19-4).

2. "Municipal Committee" defined :-

In this Act "Municipal Committee" includes a Municipal Corporation or a body of Municipal Commissioners constituted by or under the provisions of any enactment for the time being in force.

3. Power to prohibit levy of tax :-

Notwithstanding anything contained in any enactment for the time being in force, the 1[Central Government] may, by an order in writing, prohibit the levy by a Municipal Committee of any 1[specified tax payable by any person subject to the Army Act, 1950, the Navy Act, 1957, or the Air Force Act, 1950 who is compelled by the exigencies of military, naval or air-force duty to reside within the limits of a municipality.] 3[* * * * *] The 1 [Central Government] may, by a like order, rescind any such prohibition.

1. Substituted for the words Governor-General in Council by A.O., 1937.

3. Words "or (b) payable by the Secretary of State for India in Council" omitted by A.O., 1937.

3A. Power Of State Government To Prohibit Levy Of Taxes On It :-

[Notwithstanding anything in any enactment for the time being in force, the 1[State] Government may by an order in writing prohibit the levy by a Municipal Committee of any specified tax payable by the 1 [State] Government and may by a like order rescind any such prohibition.]

1. Substituted for the word "provincial" by A.L.O.. 1950.

4. Central Government to pay taxes referred to in section 3

:-

So long as any order made under section 3 . prohibiting the levy of a tax on any person mentioned in 1[* * * *] that section remains in force, the [Central Government] shall be liable to pay to the Municipal Committee mentioned in the order the amount which otherwise would have been payable to such Committee by such person: provided that the 2 [Central Government] shall not be liable to pay any sum in respect of any horse which such person is bound, by the regulations of the service to which he belongs, to keep.

1. The words "clause (a) of were omitted by A.O.. 1937.
2. Substituted for the words "said Secretary of State in Council", by A.O.. 1937.

5. Payments to be made in lieu of taxes referred to section 3-A :-

So long as any order made under 1[Section 3A] prohibiting the levy of any tax payable by the 2[State Government], remains in force, the said 2[State Government] shall be liable to pay to the Municipal Committee, lieu of such tax, such sums (if any) as an officer from time to time appointed in this behalf by the 2 [State Government] may, having regard to all the circumstances of the case, from time to time determine to be fair and reasonable.

1. Substituted for the words ".section 3", by A.O., 1937.
2. Substituted for the words "Provincial Government" by A.L.O., 1950.

6. Decision of question arising under this Act :-

If any question arises whether any duty is military, 1[naval]2[or air-force] duty within the meaning of this Act, the decision of the 3[Central Government] thereon shall be conclusive. If any question arises whether any person is compelled as aforesaid to reside within the limits of a municipality or is bound as aforesaid to keep any horse, the decision thereon of such authority as the 3 [Central Government] may, from time to time, appoint in this behalf shall be conclusive.

1. Inserted by Act, 1934 (34 of 1934), S. 2 and Sch.

2 . Inserted by the Repealing and Amending Act. 1927 (10 of 1927), S. 2 and Sch. 1.

3. Substituted for the words "Governor-General in Council" by A.O., 1937.