

CONFIDENTIAL

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PROVINCIAL ASSEMBLY OF THE PUNJAB REPORT OF THE STANDING COMMITTEE ON EXCISE AND TAXATION REGARDING THE PUNJAB URBAN IMMOVABLE PROPERTY TAX (AMENDMENT) BILL 2016 (BILL NO. 48 OF 2016)

The Punjab Urban Immovable Property Tax (Amendment) Bill 2016 (Bill No.48 of 2016) was referred to the Standing Committee on Excise and Taxation on 30 November 2016. The Committee considered the Bill in its meeting held on 28 December 2016.

2. The following were present:—

1.	Ch Faqeer Hussain Dogar, MPA (PP-67)	<i>Acting Chairman</i>
2.	Mian Muhammad Munir, MPA (PP-190)/ Parliamentary Secretary for Excise, Taxation and Narcotics Control	<i>ex-officio Member</i>
3.	Malik Zulqarnain Dogar, MPA (PP-172)	Member
4.	Rana Tahir Shabbir, MPA (PP-203)	Member
5.	Haji Malik Muhammad Waheed, MPA (PP-146)	Member
6.	Ch Faisal Farooq Cheema, MPA (PP-35)	Member

3. Mr Ahmad Balal, Secretary to Government of the Punjab, Excise, Taxation and Narcotics Control Department and Mr Abid Raza, Deputy Secretary (Legislation), Law and Parliamentary Affairs Department represented their Departments. Hafiz Muhammad Shafiq Adil, Special Secretary, Provincial Assembly of the Punjab functioned as Secretary to the Committee.

4. Since the office of the Chairman of the Standing Committee on Excise and Taxation was vacant, Ch Faqeer Hussain Dogar, MPA (PP-67), in terms of rule 151(2) of the Rules of Procedure of the Provincial Assembly of the Punjab, 1997 was chosen to act as Chairman for the sitting dated 28 December 2016.

5. The Secretary to Government of the Punjab, Excise, Taxation and Narcotics Control Department apprised the Committee about the aims and objects of the Bill. He stated that further amendments in the Punjab Urban Immovable Property Tax Act 1958 (V of 1958) were necessary to harmonize the provisions of the Act with those of section 116 of the Punjab Local Government Act 2013 (XVIII of 2013).

6. The Committee after hearing the Members, having the view point of the Administrative Department as well as Law and Parliamentary Affairs Department and discussing various points, unanimously decided to recommend that the Bill, may be passed by the Assembly subject to the following amendments –

AMENDMENTS IN THE BILL

(1) PREAMBLE

the word "Amendments" occurring in line 1, be substituted by the words "Further amendments".

(2) CLAUSE 1

in sub-clause (1), the figures "2016" be substituted by the figures "2017".

7. A copy of the Bill as introduced in the Assembly is at Annexure-A and a copy of the Bill as recommended by the Committee is at Annexure-B.

Lahore
28 December 2016

(CH FAQEER HUSSAIN DOGAR)
Acting Chairman
Standing Committee on Excise and Taxation

Lahore
28 December 2016


(RAI MUMTAZ HUSSAIN BABAR)
Secretary

ANNEXURE - A

(BILL AS INTRODUCED IN THE ASSEMBLY)

PROVINCIAL ASSEMBLY OF THE PUNJAB

**THE PUNJAB URBAN IMMOVABLE PROPERTY TAX (AMENDMENT) BILL
2016**

Bill No. 48 of 2016

A
BILL

further to amend the Punjab Urban Immovable Property Tax Act, 1958.

Amendments in the Punjab Urban Immovable Property Tax Act, 1958 (V of 1958) are necessary to harmonize the provisions of the Act with those of section 116 of the Punjab Local Government Act 2013 (XVIII of 2013).

Be it enacted by Provincial Assembly of the Punjab as follows:

1. Short title and commencement.— (1) This Act may be cited as the Punjab Urban Immovable Property Tax (Amendment) Act 2016.

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

2. Amendment in section 2 of Act V of 1958.— In the Punjab Urban Immovable Property Tax Act, 1958 (V of 1958), for brevity cited as the Act, in section 2, for clause (i), the following shall be substituted:

“(i) “urban area” means an area within the jurisdiction of the Metropolitan Corporation, a Municipal Corporation, or a Municipal Committee and includes any other area which the Government may, by notification, declare to be an urban area for purposes of the Act.”.

3. Amendment in section 3 of Act V of 1958.— In the said Act, in section 3, for subsection (2), the following shall be substituted:

“(2) Subject to subsections (2a), (3) and (4), there shall be levied, charged and paid, a tax on the annual value of a building or land or both in a rating area at the rate of five percent of the annual value of the property.

(2a) The Metropolitan Corporation, a Municipal Corporation, a Municipal Committee or a rural Union Council with urban characteristic may determine higher rate of property tax for its area under the Punjab Local Government Act 2013 (XVIII of 2013).”

STATEMENT OF OBJECTS AND REASONS

The Punjab Urban Immovable Property Tax Act, 1958 is applicable to urban areas. It is necessary to harmonize the definition of the term "urban area" with the provision in the Punjab Local Government Act 2013. Further, the Punjab Local Government Act 2013 permits a local government to enhance the rate of property tax for its area if it needs more resources for development of the area. Corresponding enabling provisions are proposed to be made in the Act of 1958. Hence this Bill.

MINISTER INCHARGE

Lahore:
30 November 2016

RAI MUMTAZ HUSSAIN BABAR
Secretary

ANNEXURE - B

**(BILL AS RECOMMENDED BY THE STANDING COMMITTEE ON
EXCISE AND TAXATION)**

A
BILL

further to amend the Punjab Urban Immovable Property Tax Act, 1958.

Further amendments in the Punjab Urban Immovable Property Tax Act, 1958 (V of 1958) are necessary to harmonize the provisions of the Act with those of section 116 of the Punjab Local Government Act 2013 (XVIII of 2013).

Be it enacted by Provincial Assembly of the Punjab as follows:

1. Short title and commencement.— (1) This Act may be cited as the Punjab Urban Immovable Property Tax (Amendment) Act 2017.

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

2. Amendment in section 2 of Act V of 1958.— In the Punjab Urban Immovable Property Tax Act, 1958 (V of 1958), for brevity cited as the Act, in section 2, for clause (i), the following shall be substituted:

“(i) “urban area” means an area within the jurisdiction of the Metropolitan Corporation, a Municipal Corporation, or a Municipal Committee and includes any other area which the Government may, by notification, declare to be an urban area for purposes of the Act.”.

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(2a) The Metropolitan Corporation, a Municipal Corporation, a Municipal Committee or a rural Union Council with urban characteristic may determine higher rate of property tax for its area under the Punjab Local Government Act 2013 (XVIII of 2013).”
