

PART - I

HARYANA GOVERNMENT

LAW AND LEGISLATIVE DEPARTMENT

Notification

The 22nd March, 2021

No. Leg.5/2021.— The following Act of the Legislature of the State of Haryana received the assent of the Governor of Haryana on the 20th March, 2021 and is hereby published for general information :—

HARYANA ACT NO. 5 OF 2021

THE HARYANA MUNICIPAL (AMENDMENT) ACT, 2021

AN

ACT

further to amend the Haryana Municipal Act, 1973.

Be it enacted by the Legislature of the State of Haryana in the Seventy-second Year of the Republic of India as follows:—

1. This Act may be called the Haryana Municipal (Amendment) Act, 2021. Short title.
2. In item (ii) of Explanation 2 to section 2A of the Haryana Municipal Act, 1973 (hereinafter called the principal Act), for the brackets and figure “(45)”, the brackets, figure and alphabet “(19A)” shall be substituted and shall be deemed to have been substituted with effect from the 23rd January, 2019. Amendment of section 2A of Haryana Act 24 of 1973.
3. After section 60 of the principal Act, the following section shall be inserted, namely:— Insertion of section 60A in Haryana Act 24 of 1973.

“60A. Power of municipality to borrow.— (1) The Municipal Council or Municipal Committee, as the case may be, may in pursuance of any resolution passed by it, borrow by way of debenture or otherwise on the security of any immovable property vested in it or property proposed to be acquired by it or of all or any of the taxes, rates, cesses, fees and charges authorised by or under this Act, from banks or, from other public financial institutions, as the case may be, any sums of money which may be required,—

 - (a) for acquiring any land which it has power to acquire; or
 - (b) for erecting any building which it has power to erect; or
 - (c) for the execution of any permanent work, the provision of any plant, or the execution of any other thing which it has power to execute, provide or do, if the cost of carrying out the purpose in question ought to be spread over a term of years; or
 - (d) to pay off any debt due to the State Government; or
 - (e) to repay a loan previously raised under this Act or any other Act previously in force; or
 - (f) for any other purpose for which the Municipal Council or Municipal Committee, as the case may be, is, by virtue of this Act or any other law for the time being in force, authorised to borrow:

Provided that—

 - (i) no loan, etc. under this section shall be raised without the previous sanction of the State Government;
 - (ii) the amount of loan, the rate of interest and the terms including the date of flotation, the time and method of the repayment and the like shall be subject to the approval of the State Government.

(2) When any sum of money has been borrowed under sub-section (1), no portion of any sum of money borrowed for any of the purposes referred to in clause (c) of sub-section (1) shall be applied to the payment of salaries and allowances to any Municipal officer or other Municipal employee other than those exclusively employed in connection with the carrying out the said purposes.

(3) The Municipal Council or Municipal Committee, as the case may be, shall for the purposes of this section, be deemed to be a local authority for the purpose of the Local Authorities Loans Act, 1914 (Central Act 9 of 1914)."

Insertion of section
62A in Haryana Act
24 of 1973.

4.

After section 62 of the principal Act, the following section shall be inserted, namely:-

"62A. Disposal of property.— With respect to the disposal of the property belonging to the Municipal Council or Municipal Committee, as the case may be, the following provisions shall have effect, namely:-

- (a) the authority as specified by the State Government may,-
 - (i) dispose of by sale or otherwise, any movable property belonging to the Municipal Council or Municipal Committee, as the case may be, the depreciated value of which does not exceed two lakh rupees in case of Municipal Council and one lakh rupees in case of Municipal Committee;
 - (ii) grant a lease not exceeding a period of five years, of any immovable property belonging to the Municipal Council or Municipal Committee;
 - (iii) sell or grant a lease in perpetuity of any immovable property belonging to the concerned Municipal Council or Municipal Committee, the prevailing collector rate value of which does not exceed two lakh rupees in case of Municipal Council and one lakh rupees in case of Municipal Committee or the annual market rent of which does not exceed twenty thousand rupees in case of Municipal Council and ten thousand rupees in case of Municipal Committee;
- (b) in case not covered by clause (a), the said authority may, with the sanction of the State Government on recommendation of the Municipal Council or Municipal Committee, as the case may be, lease, sell, let out on hire or otherwise transfer any property movable or immovable belonging to the Municipal Council or Municipal Committee;
- (c) subject to other provisions of this Act, the consideration for which any immovable property may be sold, leased or otherwise transferred under the aforesaid clauses shall not be less than value at which such immovable property could be sold, leased or otherwise transferred in normal and fair competition:

Provided that in case of transfer of immovable property to Government Department by way of sale or lease or otherwise, the property may be transferred at collector rate, subject to prior approval of the State Government:

Provided further that in case of transfer of shop or house to individual, who is in possession of such property for the last twenty years or more, by way of rent or lease or otherwise, the property may be transferred at collector rate or any other concessional rate, as may be determined by the State Government, by way of sale, subject to prior approval of such authority, as may be specified:

Provided further that ownership rights in respect of shops or houses which are on lease or rent or license fee or tehbazari or otherwise for the last twenty years or more, may be transferred by way of sale, on such terms and conditions, including the rate at which such ownership rights shall be transferred, as specified in the policy framed in this behalf by the State Government, from time to time.

- (d) the consideration for which any immovable property may be sold, leased or otherwise transferred to social, religious or charitable or educational institution, trust or social entities by the authority as specified by the State Government shall be as given below:-

Serial Number	Nature of facility	Area	Tentative rate of sale
1	2	3	4
1.	Religious sites – the land of Municipal Council or Municipal Committee, as the case may be, for the purpose of worship (Mandir, Gurudwara, Masjid, Church, etc.) and for Community Dharamshalas, Janjghar, Baratghar, community centres or educational institutions etc.	upto 3000 square meters	(i) upto 2000 square meters, 50% of the collector rate, proportionate cost of development of the area and other incidental charges thereto. (ii) for 2001-3000 square meters, 100% of the collector rate, proportionate cost of development charges of the area and other incidental charges thereto.
2.	Nandi Shala, Gaushalas or stray cattle yard.	upto 5 acres	50% of the Collector rate, proportionate cost of development charges of the area and other incidental charges thereto:

Provided that the property shall be transferred by way of sale, lease or otherwise subject to prior approval of such authority, as may be notified by the State Government.

- (e) notwithstanding anything to the contrary contained in this Act, the authority shall sell, lease or let out on hire or otherwise transfer any moveable or immovable property belonging to the Municipal Council or Municipal Committee under the following circumstances, namely:-
- on the directions of the State Government to sell, lease or otherwise transfer any moveable or immovable property of the Municipal Council or Municipal Committee, as the case may be, for such consideration, as specified by the State Government;
 - when any policy framed by the State Government requires, as a part thereof, to sell, lease or otherwise transfer any moveable or immovable property of the Municipal Council or Municipal Committee for consideration as specified in the said policy:

Provided that the prior sanction of the State Government shall be required before the authority as specified by the State Government acts under clause (ii);

- (f) the sanction of the State Government under the aforesaid clauses may be given either generally for any class of cases or specially for any particular case;
- (g) subject to any condition or limitation that may be specified by or under any provision of this Act, the foregoing provisions of this section shall apply to every disposal of property belonging to the Municipal Council or Municipal Committee, as the case may be, made under or for any purposes of this Act;

Substitution of
section 69 of
Haryana Act 24 of
1973.

- (h) every case of disposal of property under clause (a), shall be intimated by the said authority, without delay to Municipal Council or Municipal Committee, as the case may be.”

5. For section 69 of the principal Act, the following section shall be substituted, namely:-

“69. Taxes which committee shall impose.— (1) For the purposes of this Act and subject to the provisions thereof, every committee shall impose the following taxes, namely :-

- (a) a property tax payable by the owner or occupier of a building or land in the municipal area, calculated depending upon the area in which the building or land is situated, its location, purpose for which it is used, its capacity for profitable use, quality of construction and other relevant factors, method of calculation and the rates for application be such, as the State Government shall, by notification in the Official Gazette specify. The rates of tax may be different for different types of properties like residential, non-residential or commercial, industrial, institutional etc. and may be at flat rate or at a graded scale; and in all cases, those shall be the floor rates and the Municipal Council or Municipal Committee, as the case may be, may increase the rates prospectively at any time by following the due procedure as specified by the State Government:

Provided that no property tax shall be payable on any land being exclusively used for agricultural purposes.

Explanation.— For the purposes of this clause,-

- (1) the words “land being exclusively used for agricultural purposes” shall include the land on which any structure has been raised for the purposes of keeping electricity meter and other electric fixture for tubewell connection.
 - (2) the words “floor rate” means the minimum rate as specified in the notification to be issued under the said clause;
- (b) such other tax, at such rates as the State Government may by notification in each case direct;
- (c) a duty on the transfer of immovable properties situated within the limits of the municipality in addition to the duty imposed under the Indian Stamp Act, 1899, as in force for the time being in the State of Haryana, on every instrument of the description specified below and at such rate, as the State Government may, by notification, direct, which shall not be less than one per centum and more than three per centum on the amount specified below against such instrument:-

Description of instruments	Amount on which duty shall be levied
(i) Sale of immovable property	the amount or value of the consideration for the sale as set forth in the instrument.
(ii) Exchange of immovable property	the value of the property of the greater value as set forth in these instruments.
(iii) Gift of immovable property	the value of the property as set forth in the instrument.
(iv) Mortgage with possession of immovable property	the amount secured by the mortgage as set forth in the instrument.

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| (v) Lease in perpetuity of immovable property | the amount equal to one-sixth of the whole amount or value of the rent which would be paid or delivered in respect of the first fifty years of the lease, as set forth in the instrument. |
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The said duty shall be collected by the Registrar or Sub-Registrar in the shape of non-judicial stamp paper at the time of Registration of the document and intimation thereof shall be sent to the committee immediately. The amount of the duty so collected shall be paid to the committee concerned.

(2) Save as provided in clause (a) of sub-section (1), the taxes as specified above shall be levied at such rates as may, from time to time, be specified by the State Government by notification and shall be assessed and collected in accordance with the provisions of this Act and the bye-laws made thereunder.

(3) Notwithstanding anything contained contrary to other provisions of this Act, the State Government may, by special or general order, direct the Municipal Council or Municipal Committee, as the case may be, to impose any tax falling under clause (a) or clause (b) of sub-section (1) not already imposed, within such period as may be specified and the Municipal Council or Municipal Committee, as the case may be, shall thereupon act accordingly.

(4) If the Municipal Council or Municipal Committee, as the case may be, fails to carry out any order passed under sub-section (3), the State Government may, by a suitable order notified in the Official Gazette, impose the tax and the order so passed shall operate as if the tax had been duly imposed by the Municipal Council or Municipal Committee, as the case may be, under clause (a) or clause (b) of sub-section (1)."

6. After section 70 of the principal Act, the following section shall be inserted, namely:—

Insertion of section 70A in Haryana Act 24 of 1973.

"70A. Control and regulation of advertisement in public spaces.— (1) The authority as specified by the State Government, shall control and regulate all advertisements displayed in public spaces and means of transport in the municipal area. They shall for this purpose, identify the suitable spots and sites for displaying advertisement in the municipal area and may, as part of this exercise, invite, by wide publicity, applications from the interested persons for letting out public visual landscape of their premises or vehicles for display of advertisements. The authority as specified by the State Government shall decide all such applications made to him by finalising the identification of spots, sites and vehicles after taking into consideration such relevant factors, which are either specified by the State Government or directed in terms of any order of the court of law exercising such jurisdiction or specified under any policy of the State Government.

(2) Any person, desirous of putting up an advertisement at a spot, site or vehicle, identified under sub-section (1), shall make an application in such manner, as may be specified by the State Government, to the authority, for permission, who shall dispose of the same by taking into consideration all the relevant factors, within a reasonable time and may, while doing so, impose such other restrictions and conditions as befits the facts and circumstances of each case. No application shall, in any circumstances, be entertained for putting up an advertisement at a spot, site or vehicle different from those which have been identified under sub-section (1).

(3) The authority, as specified by the State Government, shall, before giving such a permission for putting up an advertisement under sub-section (2), shall enter into a rent sharing arrangement with the owner/occupier of the identified premises or owner/user of the identified vehicle (other than the building, land or vehicle belonging to the Municipal Council or Municipal Committee) where the advertisement is to be put up; and shall, at the time of giving permission, charge a permission fee from the applicant advertiser at the rates as determined by an authority appointed by the State Government for this purpose and different authorities may be appointed for different municipalities or regions of the State.

(4) The State Government may lay down guidelines/policy for the identification of sites, spots and vehicles, the processing of applications made for giving permission for putting up the advertisements, the rent sharing arrangements and other relevant matters, as it deems fit.

(5) No advertisement shall be erected, exhibited, fixed or retained upon or over any land, building, wall, hoarding, frame, post or structure or upon any vehicle or shall be displayed in any manner whatsoever in any place within the municipal area without the written permission of the authority as specified by the State Government.

Explanation.— For the purposes of this section, “a public space” means a place that is generally open and accessible to people and includes-

- (i) roads, flyovers, pavement, sidewalks, streets, public squares, parks, gardens, water bodies, lakes, river fronts, green belts along the roads;
- (ii) government buildings which are open to the public, such as public libraries, museums, monuments, zoos, aquariums, open air theatres, sports grounds, stadiums;
- (iii) railway stations, metro railway stations, bus stands, taxi stands, rickshaw stands, bus queue shelters, street furniture, parking places;
- (iv) all other lands, buildings and structures, whether in Government hands or private, that are visible from sidewalks, public thoroughfares and other public places in so far as they affect the public visual landscape.”

Insertion of sections
75D and 75E in
Haryana Act 24 of
1973.

7. After section 75C of the principal Act, the following sections shall be inserted, namely:—

“75D. Levy of penalty on unlawful building.— (1) Whoever unlawfully constructs or reconstructs any building or part of a building,-

- (a) on his land without obtaining permission under this Act or any other law for the time being in force or any rules or bye-laws made thereunder or in contravention of any condition attached to such permission; or
- (b) on a site belonging to him which is formed without approval under the relevant applicable law, including rules framed/instructions issued thereunder; or
- (c) on any land belonging to, or leased by the Municipal Council or Municipal Committee, the Central Government or State Government, or any statutory Board/Corporation or organization or company set up by any such Government, in breach of any provisions of this Act or of any other law for the time being in force and the rules and bye-laws made thereunder,

shall be liable to pay every year a penalty, which shall be equal to twice the amount of property tax leviable on such building, so long as it remains unlawful construction without prejudice to any proceedings which may be instituted against him in respect of such unlawful construction and the penalty paid under sub-section (1), shall be determined as collected under the provisions of this Act, as if the amount thereof were a property tax due against any such person:

Provided that none of such levy and collection of tax and penalty shall be construed as having regularised such unlawful construction or reconstruction for any period whatsoever of its such unlawful existence.

75E. Levy of penalty on unlawful use of a building or land.— (1) Whoever puts a building or land or a part thereof to any use either in contravention of any law for the time being in force regulating or controlling the use of such building or land or part thereof or in violation of an order or direction, if any, issued under such law, shall be liable to pay a penalty, which shall be equal to two times the amount of property tax that

is leviable on such building or land or part thereof, as the case may be, under clause (a) of sub-section (1) of section 69 of this Act for the whole period of such unlawful use on annual basis, calculated construing part of a year as full year and the penalty paid under this sub-section shall be determined as collected under the provisions of this Act, as if the amount thereof were a property tax due against any such person.

(2) The penalty imposed or paid under sub-section (1), shall be without prejudice to any proceedings which may be instituted against the user in respect of such unlawful use and shall not clothe him with any right to raise the plea of regularisation of such unlawful use; and shall not be offset against any composition that may be lawfully accepted from him.”.

8. After section 84 of the principal Act, following section shall be inserted, namely: –

Insertion of section 84A in Haryana Act 24 of 1973.

“84A. Taxation of properties of Government of India.– Notwithstanding anything to the contrary contained in this Act, lands and buildings being properties of the Government of India shall be exempted from the taxes on lands and buildings specified in section 84:

Provided that nothing in this section shall prevent the Municipal Council or Municipal Committee, as the case may be, from levying any of the said taxes on such lands and buildings to which immediately before the 26th January, 1950, they were liable, or treated as liable, so long as that tax continues to be levied by the Municipal Council or Municipal Committee, as the case may be, on other lands and buildings:

Provided further that nothing in this section, shall prevent the concerned Municipal Council or Municipal Committee, as the case may be, for charging the service charges in lieu of services rendered as quantified by the said Municipal Council or Municipal Committee within the general guidelines of the State Government and instructions of the Government of India.”.

9. After section 99 of the principal Act, the following section shall be inserted, namely:–

Insertion of section 99A in Haryana Act 24 of 1973.

“99A. Issue of no dues certificate for registration of certain documents.– A document in respect of sale, transfer, lease, gift or alienation, in any manner, of any land or building, situated in a municipal area, which is required to be registered under section 17 of the Registration Act, 1908 (Central Act 16 of 1908), shall not be registered unless the said document is accompanied with a no dues certificate issued by the authority as specified by the State Government, which shall remain valid for a period of three months or for such other time period, as may be specified by the State Government, from time to time, certifying that all municipal dues including rents, taxes, cesses, charges, fees, fines and penalties in respect of such lands and/or buildings as mentioned in the document, payable or recoverable under this Act or the rules, bye-laws or regulations made thereunder, have been fully paid:

Provided that the State Government may by order, exempt, wholly or partly, such lands and buildings, which have fallen for the first time or have fallen afresh in the municipal area as a result of a notification issued under sections 3 and 4 of the Act, from the requirements of this section, for such duration, as the State Government may deem fit.”.

10. In section 203G of the principal Act,–

Amendment of section 203G of Haryana Act 24 of 1973.

- (i) for the sign “.” existing at the end, the sign “:” shall be substituted; and
- (ii) the following proviso shall be added and shall be deemed to have been added with effect from the 27th March, 2001, namely: –

“Provided that where provisions of this Act are silent regarding the provision of the controlled area, then the provisions of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (Punjab Act 41 of 1963) shall be deemed to be applicable *mutatis mutandis* within the municipal limit.”.

Substitution of
section 203H of
Haryana Act 24 of
1973.

11. For section 203H of the principal Act, the following section shall be substituted and shall be deemed to have been substituted with effect from the 2nd April, 2002, namely:-

“203H. Issue of no objection certificate for sanction/release of electricity, water and sewerage connection.— Any person before making application to concerned authority for sanction/release of electricity, water and sewerage connection to any premises, shall obtain a no dues certificate from concerned Municipal Council or Municipal Committee, as the case may be and no authority shall sanction/release such connection unless no dues certificate is accompanied with the application.

Explanation.— For the purposes of this section, the term ‘sanction/release’ shall include restoration of disconnection or increase in capacity/load etc.”.

BIMLESH TANWAR,
Administrative Secretary to Government,
Haryana, Law and Legislative Department.