**PROVINCIAL ASSEMBLY OF THE PUNJAB**

**N O T I F I C A T I O N**

**30 November 2016**

**No.PAP/Legis-2(151)/2016/1512.** The following Bill, which was introduced in the Provincial Assembly of the Punjab on Wednesday, November 30, 2016, is hereby published for general information under rule 93(1) of the Rules of Procedure of the Provincial Assembly of the Punjab, 1997:-

**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: RAI MUMTAZ HUSSAIN BABAR**

**30 November 2016 Secretary**