

**GOVERNMENT OF WEST BENGAL
LEGISLATIVE DEPARTMENT**

West Bengal Act VIII of 1976

**THE WEST BENGAL URBAN LAND TAXATION
ACT, 1976.**

[*Passed by the West Bengal Legislature.*]

[Assent of the Governor was first published in the *Calcutta Gazette, Extraordinary*, of the 30th March, 1976.]

[30th March, 1976.]

An Act to provide for the taxation of urban lands.

WHEREAS it is expedient in the public interest to provide for the taxation of urban lands and for matters connected therewith or incidental thereto;

It is hereby enacted in the Twenty-seventh Year of the Republic of India, by the Legislature of West Bengal, as follows:—

CHAPTER I

Preliminary

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|---|--------------------------------------|
| <p>1. (1) This Act may be called the West Bengal Urban Land Taxation Act, 1976.</p> <p>(2) It shall come into force on such date as the State Government may, by notification in the <i>Official Gazette</i>, appoint and different dates may be appointed for different provisions of this Act.</p> | <p>Short title and commencement.</p> |
| <p>2. (1) In this Act, unless the context otherwise requires,—</p> <p>(a) “Commissioner” means the Commissioner of Urban Land Taxes, West Bengal, appointed under section 8;</p> <p>(b) “development” means the carrying out of building, engineering or other operation in, over, or under any land, or the making of any material change in any existing building or buildings, at a cost exceeding rupees twenty five thousand, which has the effect of increasing the value of such land or building;</p> <p>(c) “financial year” means the year ending on the 31st day of March;</p> | <p>Definitions.</p> |

(Chapter II.—Land taxes.—Section 3.)

- (d) “prescribed” means prescribed by rules made under this Act; and
- (e) “retained land” means the quantity of vacant land which a person is entitled to hold in terms of the provisions of the Urban Land (Ceiling and Regulation) Act, 1976.

33 of 1976.

(2) Words and expressions used in this Act but not defined shall have the same meaning as in the Urban Land (Ceiling and Regulation) Act, 1976.

33 of 1976.

CHAPTER II

Land taxes

Levy of land tax.

3. (1) Subject to the provisions of sub-section (3), a tax (hereinafter referred to as the land tax) shall be levied by the State Government for every financial year upon the quantity of retained land owned by a person in one or more of the urban agglomerations and collected from such person at such rates and in such manner as hereinafter provided:

Provided that no land tax shall be levied on such quantity of retained land owned by a person in an urban agglomeration, not being less than 200 square metres, as may be specified by the State Government by notification in the *Official Gazette*, and different quantities of retained land may be notified for this purpose for different urban agglomerations.

(2) The land tax shall be levied at the following rates, namely:—

- (i) in urban agglomeration of category A—at the rate of rupee one *per annum* per square metre for the first three hundred square metres, and rupees two *per annum* per square metre for the remaining quantity of retained land;
- (ii) in urban agglomeration of category B—at the rate of fifty paise *per annum* per square metre for the first six hundred square metres, and rupee one *per annum* per square metre for the remaining quantity of retained land;
- (iii) in urban agglomeration of category C—at the rate of fifty paise *per annum* per square metre of the retained land;
- (iv) in urban agglomeration of category D—at the rate of thirty-five paise *per annum* per square metre of the retained land.

(Chapter II.—Land taxes.—Section 4.)

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), no land tax shall be leviable in respect of any retained land for a period of three financial years commencing from the first day of April, 1976.

4. (1) A tax (hereinafter referred to as the urban land tax) shall be levied by the State Government for every financial year commencing from the first day of April, 1976, upon the quantity of land occupied by any building owned by any person as well as the land appurtenant to such building in one or more urban agglomerations and collected from such person at such rates and in such manner as hereinafter provided.

Urban Land
tax.

(2) The urban land tax in so far as it relates to the land occupied by any building shall be levied at the following rates, namely:—

- (i) in urban agglomeration of category A—at the rate of rupee one *per annum* per square metre;
- (ii) in urban agglomeration of category B or C—at the rate of fifty paise *per annum* per square metre;
- (iii) in urban agglomeration of category D—at the rate of thirty-five paise *per annum* per square metre:

Provided that no urban land tax shall be levied on such portion of the land occupied by the plinth area of any building, not being less than 300 square metres, as may be specified by the State Government by notification in the *Official Gazette* and different portions of land occupied by the plinth area may be notified for this purpose for different urban agglomerations.

(3) The urban land tax, in so far as it relates to the land appurtenant to any building, shall be levied at half the rate specified in clause (i), (ii) or (iii) of sub-section (2):

Provided that no urban land tax shall be levied in respect of that much quantity of land which is required to be kept vacant under the provisions of the building regulations made under any law for the time being in force:

Provided further that the land required to be kept vacant under the first proviso shall in no case exceed 500 square metres.

(4) No urban land tax shall be levied upon any land until the construction of a building has been completed thereon or until the building is brought into use, whichever is earlier.

(5) Notwithstanding anything contained in sub-section (1), no urban land tax shall be levied and collected in respect of the land occupied by a building or the land appurtenant thereto in the building is used for carrying on any manufacturing process as defined in the Factories Act, 1948.

(Chapter III.—Development charge and conversion charge.—
Sections 5, 6.)

Explanation:—For the purposes of this Chapter, if any person holds any land under a lease for a period of ten years or more including its unexpired portion, such person shall be deemed to be the person who owns such land and the taxes leviable under this Chapter shall be collected only from such person.

CHAPTER III

Development charge and conversion charge

Develop-
ment charge.

5. (1) The State Government shall, with effect from such date as may be notified in the *Official Gazette*, levy a charge (hereinafter referred to as the development charge), on the carrying out of any development in any of the urban agglomerations.

(2) The development charge shall be levied at such rates as may be specified by the State Government by notification in the *Official Gazette*, so, however, that such rates shall not exceed—

- (i) in urban agglomeration of category A—rupees one lakh per hectare of land;
- (ii) in urban agglomeration of category B—rupees seventy-five thousand per hectare of land;
- (iii) in urban agglomeration of category C—rupees sixty thousand per hectare of land;
- (iv) in urban agglomeration of category D—rupees forty thousand per hectare of land:

Provided that the State Government may, in the public interest, by notification, published in the *Official Gazette*, fix lower rates of development charge for different types of development.

(3) The development charge shall be collected from any person who owns the land or building.

Conversion
charge.

6. (1) The State Government shall, with effect from such date as may be notified in the *Official Gazette*, levy a charge (hereinafter referred to as the conversion charge) on any land or building or both, situated in any of the urban agglomerations whenever such land or building is charged from one use to another which is more beneficial in nature, either by operation of law or by act of parties.

(2) The conversion charge shall be levied at such rates as may be specified by the State Government by notification in the *Official Gazette*, so, however, that the rate shall not exceed for conversion—

- (i) from agricultural use to commercial use, 35 *per cent.* of the increase in value of the land or building, as the case may be;

*(Chapter III.—Development charge and conversion charge.—
Section 7.)*

- (ii) from agricultural use to industrial use, 50 *per cent.* of the increase in value of the land or building, as the case may be;
- (iii) from commercial use to industrial use, 25 *per cent.* of the increase in value of the land or building, as the case may be;
- (iv) from residential use to commercial use, 30 *per cent.* of the increase in value of the land or building, as the case may be;
- (v) from residential use to industrial use, 40 *per cent.* of the increase in value of the land or building, as the case may be:

Provided that no conversion charge shall be levied in respect of any land or building where the area occupied by such land or building or both does not exceed five hundred square metres.

Explanation.—For the purposes of this Act—

- (I) “commercial use” means the use of any land or building or part thereof for the purpose of carrying on of any trade or business or for running an office in relation thereto;
- (II) “industrial use” means the use of any land or building or part thereof for carrying on any manufacturing process as defined in the Factories Act, 1948.

63 of 1948.

(3) The increase in the value of any land or building on account of the change in use shall be determined by the Commissioner in such manner as may be prescribed.

(4) The conversion charge shall be collected from any person who owns the land or building.

(5) For the purposes of section 5 and this section, when any development is carried out or change from one use to another which is more beneficial in nature is effected in respect of any land or building by any person who holds such land or building under a lease, such person shall be deemed to be the owner for such land or building and shall alone be liable to pay the charges accordingly.

7. Notwithstanding anything to the contrary contained in any other law for the time being in force, no person shall change any land situated within any of the urban agglomerations from agriculture to any other use except with the previous permission in writing of the Commissioner, obtained in such manner as may be prescribed.

Bar on conversion of agricultural land to non-agricultural use.

(Chapter IV.—Tax Authorities.—Sections 8-11.)

CHAPTER IV

Tax Authorities

Tax
authorities.

8. (1) For carrying out the purposes of this Act, the State Government shall appoint a Commissioner, to be called the Commissioner of Urban Land Taxes, West Bengal, together with such other persons to assist him as it thinks fit, and may specify the area or areas over which they shall exercise jurisdiction.

(2) Persons appointed under sub-section (1) shall exercise such powers as may be conferred, and perform such duties as may be required, by or under this Act.

(3) Notwithstanding anything to the contrary contained in sub-section (1), the Commissioner may transfer any case or matter from any person appointed under sub-section (1) to assist the Commissioner to any other person so appointed whether such other person has jurisdiction over the area to which the case or matter relates or not, provided he is otherwise competent to deal with such case or matter in exercise or performance of the powers or duties referred to in sub-section (2).

(4) All persons appointed under sub-section (1) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code. 45 of 1860.

Delegation
of powers by
Commissioner.

9. Subject to such restrictions and conditions as may be prescribed, the Commissioner may, by order in writing, delegate any of his powers under this Act, except those under sub-section (3) of section 32, to any person appointed under sub-section (1) of section 8.

Power of
Commissioner to
take
evidence on
oath, etc.

10 The Commissioner or any person appointed to assist him under sub-section (1) of section 8 shall, for the purposes of this Act, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters, namely:— 5 of 1908.

- (a) enforcing the attendance of any person and examining him on oath or affirmation;
- (b) compelling the production of documents; and
- (c) issuing commissions for the examination of witnesses;

and any proceeding under this Act before the Commissioner, or any person appointed to assist him under sub-section (1) of section 8 shall be deemed to be a "judicial proceeding" within the meaning of sections 193 and 228 and for the purposes of section 196 of the Indian Penal Code.

Indemnity.

11. No suit, prosecution or other legal proceeding shall lie against any servant of the Government for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

VIII of 1976.]

*(Chapter V.—Assessment and collection of taxes.—
Sections 12-14.)*

CHAPTER V

Assessment and collection of taxes

12. (1) Every person liable to pay any tax under this Act, shall, within a period of six months from the beginning of the financial year, furnish to such authority, containing such particulars and in such manner as may be prescribed, an annual return of tax payable by him. Owners to submit returns.

(2) Before any person furnishes the return required by sub-section (1) he shall, in the prescribed manner, pay into a treasury or the Reserve Bank of India the full amount of tax or taxes due from him under this Act according to such return.

(3) If any person discovers any omission or other error in any return furnished by him, he shall at any time before the date due for furnishing the next return furnish a revised return and shall, before he files the revised return, pay in the prescribed manner into a Treasury or the Reserve Bank of India the excess amount of tax, if any, which was due from him than was shown in the original return.

(4) For the purpose of determining the amount of land tax or urban land tax the extent of retained land or land occupied by any building with land appurtenant thereto, as the case may be, as on the first day of April of the financial year to which the return relates, shall be the basis.

13. If any person fails to furnish the return under section 12, the Commissioner may obtain the necessary information either by himself or through such agency as he thinks fit. Collection of information.

14. (1) Where a return is furnished under section 12, the Commissioner shall examine the return and make such enquiry as he considers necessary, and if satisfied that the particulars mentioned therein are correct and complete, he shall, by order in writing, determine the amount of land tax or urban land tax, as the case may be, payable by the person concerned. Determination of taxes due.

(2) If no return is furnished by any person liable to pay any tax under this Act, or if the Commissioner is not satisfied that the return furnished is correct and complete, the Commissioner shall proceed in such manner as may be prescribed to assess to the best of his judgment the amount of the tax or taxes due from such person, and in making such assessment shall give the person concerned a reasonable opportunity of being heard, and in the case of failure by any person liable to pay tax under this Act, to submit in respect of any period, the return as laid down in section 12, by the due

(Chapter V.—Assessment and collection of taxes.—Section 15.)

date, the Commissioner may, if he is satisfied that the default was made without reasonable cause, direct that the person shall pay by way of penalty in addition to the amount of tax or taxes assessed a sum not exceeding one and a half times that amount.

(3) The amount of tax due or assessed under sub-section (2) less the sum, if any, already paid by the person in respect of the said period, shall together with any penalty imposed under sub-section (2), be paid by the person into a Treasury or the Reserve Bank of India by such date as may be specified in a notice issued by the Commissioner for this purpose, and the date so specified shall not be less than sixty days from the date of service of such notice:

Provided that the Commissioner may, in respect of any person, and for reasons to be recorded in writing, extend the date of such payment or allow such person to pay the tax due and the penalty, if any, by instalments.

(4) Any amount of tax or penalty which remains unpaid after the date specified in the said notice shall be recoverable as an arrear of land revenue under the Bengal Public Demands Recovery Act, 1913, as if it were payable to the Collector:

Ben. Act III
of 1913.

Provided that where any proceedings for the recovery as an arrear of land revenue of any tax or penalty remaining unpaid has been commenced under this sub-section, and the amount of tax or penalty is subsequently modified, enhanced or reduced in consequence of any assessment made or order passed on appeal, or review, the Commissioner may, in such manner and within such period as may be prescribed, inform the person concerned and such authority by whom or under whose order the recovery is to be made in this behalf, and therefrom such proceedings may be continued as if the amount of tax or penalty as so modified, enhanced or reduced had been substituted for the tax or penalty which was to be recovered initially.

(5) Any action taken under this section shall be without prejudice to any prosecution instituted for an offence against this Act.

Taxes to be
first charge.

15. The land tax or the urban land tax shall, notwithstanding anything to the contrary contained in any law for the time being in force, or in any decree or order of any court or other competent authority but subject to the claim for any tax or other amount due to the Central Government be a first charge upon the land or building, as the case may be, of the person who is liable to pay such land tax or urban land tax, as the case may be.

*(Chapter VI.—Assessment and collection of charges.—
Sections 16-19.)*

CHAPTER VI

Assessment and collection of charges

16. (1) Any person who intends to carry out any development shall apply to the Commissioner in such manner as may be prescribed, for the assessment of development charge payable by him. Assessment of development charge.

(2) The Commissioner shall, on such application being made, or if no such application is made, after serving a notice on the person liable for development charge, and after allowing reasonable opportunity to the person concerned of being heard determine the amount of development charge, if any, leviable under this Act.

17. (1) The person on whom development charge is assessed shall pay the amount within such date, not more than sixty days from the date fixed by the Commissioner, to a Treasury or the Reserve Bank of India and upon such payment the Commissioner shall grant a certificate to the effect that the development charge has been paid. Payment of development charge.

(2) In the event of non-payment of the development charge within the due date, the Commissioner may, after giving an opportunity to the assessee of being heard, impose a penalty not exceeding one and a half times the development charge, and such penalty together with the development charge shall then be deposited in a Treasury or in the Reserve Bank of India within such date as may be fixed by the Commissioner.

18. (1) Any person who intends to change the use of any land or building shall apply to the Commissioner in such manner as may be prescribed, for the assessment of conversion charge payable in respect of such change of use. Assessment of conversion charge.

(2) The Commissioner shall, on such application being made, or when no such application is made, after allowing reasonable opportunity to the person concerned of being heard determine the conversion charge, if any, payable under this Act.

19. (1) The person on whom conversion charge is assessed shall pay the amount within such date, not more than sixty days from the date fixed by the Commissioner to a Treasury or the Reserve Bank of India, and upon such payment the Commissioner shall grant a certificate to the effect that the conversion charge has been paid. Payment of conversion charge.

(2) In the event of non-payment of conversion charge within the due date, the Commissioner may, after giving an opportunity to the assessee of being heard, impose a penalty not exceeding one and a half times the

(Chapter VI.—Assessment and collection of charges.—Sections 20, 21.—
Chapter VII.—Appeal, revision and review.—Section 22.)

conversion charge, and such penalty together with the conversion charge shall then be deposited in a Treasury or in the Reserve Bank of India within such date as may be fixed by the Commissioner in this behalf.

Commissioner's powers to extend date.

20. The Commissioner may, on an application being made in this behalf by the assessee, and for reasons to be recorded by him in writing, extend the date of payment of development charge or conversion charge, as the case may be, as well as the penalty imposed under sections 17 and 19, and may also allow payment in such instalments as he may fix.

Recovery.

21. The amount of development charge or conversion charge as well as penalty, if any, remaining unpaid shall be recoverable as an arrear of land revenue under the Bengal Public Demands Recovery Act, 1913, as if it were payable to the Collector.

Ben. Act III
of 1913.

CHAPTER VII

Appeal, revision and review

Appeal.

22. (1) Any person may appeal to the prescribed authority in such manner as may be prescribed, against any assessment made or order passed under this Act, within sixty days from the date of receipt of a notice of demand or such further period as may be allowed by the said authority for cause shown to his satisfaction:

Provided that no appeal shall be entertained by the said authority unless at least 50 *per cent.* of the amount of tax, charge or penalty covered by the notice of demand has been deposited by the aggrieved person.

Explanation.—For the purposes of this section 'a notice of demand' means any notice served according to the provisions of this Act for realisation of any tax, charge or penalty imposed under this Act.

(2) Subject to such rules as may be prescribed, the appellate authority, in disposing of any appeal under sub-section (1), may—

- (a) confirm, reduce, enhance or annul the assessment; or
- (b) set aside the assessment and direct the assessing authority to make a fresh assessment;
- (c) confirm, after such further enquiry as he may direct, and set aside or modify any order.

VIII of 1976.]

*(Chapter VII.—Appeal, revision and review.—Sections 23-25.—
Chapter VIII.—Miscellaneous.—Sections 26, 27.)*

23. Subject to such rules as may be prescribed in this behalf, the Commissioner or any authority prescribed in this behalf may, on his own motion or upon application, revise any assessment made or order passed by a person appointed under section 8: Revision.

Provided that no revision shall lie upon application unless the applicant has filed an appeal in the first instance under section 22 and such appeal has been disposed of by the prescribed authority.

24. Subject to such rules as may be prescribed, any assessment made or order passed by the Commissioner or any other person under this Act may, for reasons to be recorded in writing, be reviewed by the Commissioner or such other person upon application or on his own motion. Review.

25. In computing the period of limitation prescribed for an appeal or revision under this Act, the time required for obtaining the certified copy of the order against which the relief is sought for, shall be excluded. Limitation.

CHAPTER VIII

Miscellaneous

26. The State Government may apportion, where necessary, the land tax, urban land tax or any charges payable under this Act and specify the person or persons from whom such tax or charge, as the case may be, shall be recovered. Apportionment of tax or charge.

27. Nothing in this Act shall apply to— Exemption.

- (a) any land or building owned by the State Government or the Central Government or any local or statutory authority or a Government Company or Corporation;
- (b) any land or building used for public worship;
- (c) any land or building owned by an educational institution or hospital;
- (d) any land or building owned for purposes connected with the disposal of the dead;
- (e) any land or building owned by societies registered or deemed to have been registered under the West Bengal Societies Registration Act, 1961, or such clubs and philanthropic or charitable institutions or organisations as the State Government may, by notification, specify.

The West Bengal Urban Land Taxation Act, 1976.

[West Ben. Act

(Chapter VIII.—Miscellaneous.—Sections 28-32.)

Power to
remove
difficulties.

28. If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the *Official Gazette*, do anything, not inconsistent with the provisions of this Act, which appears to it to be necessary for the purpose of removing the difficulty.

Tax and
charge in
addition to
other
liability.

29. The tax or charge payable under this Act in respect of any land or building shall be in addition to any other tax or charge payable under any other law for the time being in force.

Power to
enter upon
land or
building.

30. The Commissioner or any other person or authority appointed under this Act may enter upon any land or building and make a survey or take the measurements thereof or do any other act or thing which he considers necessary for carrying out the purposes of this Act.

Bar of suits
in civil
courts.

31. Except as otherwise provided in this Act, the decision of any authority or officer appointed under this Act shall be final and no civil court shall have jurisdiction to decide or deal with any question which by or under this Act is required to be decided or dealt with by the authorities or officers appointed under this Act.

Penalties.

32. (1) Any person who,—

- (a) converts any agricultural land to any non-agricultural use without obtaining prior permission in writing of the Commissioner;
- (b) fails to submit annual return under Chapter V;
- (c) knowingly furnishes incorrect information or documents; or
- (d) obstructs the Commissioner, or any person or authority appointed under this Act, in the exercise of his powers,

shall be punishable with simple imprisonment which may extend to six months or with fine which may extend to one thousand rupees or with both, and when the offence is a continuing one, with a daily fine not exceeding fifty rupees during the period of the continuance of the offence.

(2) All offences punishable under this Act or the rules made thereunder shall be cognizable and bailable.

(3) No court shall take cognizance of any offence under this Act or the rules made thereunder except on complaint made with the previous sanction of the Commissioner.

33. (1) Subject to such conditions as may be prescribed the Commissioner may accept from any person accused of any offence punishable under this Act, by way of composition for such offence, payment of a sum not exceeding five thousand rupees. Compound-
ing of
offences.

(2) If payment by way of composition is accepted under sub-section (1), no further proceedings for prosecution shall be taken against the accused in respect of the offence compounded.

34. (1) Where as a result of any order passed in appeal or other proceedings under this Act refund of any amount becomes due to the assessee, such amount shall be refunded to him in such manner as may be prescribed. Refunds.

(2) Where any refund is due under this Act, the Commissioner may in lieu of payment of the refund set off the amount to be refunded or any part of that amount against the sum, if any, remaining payable under this Act by the person to whom refund is due after giving an intimation in writing to such person of the action proposed to be taken under this section.

35. The State Government may, if it considers necessary so to do in the public interest, exempt any person or class of persons either wholly or in part from the liability to pay any tax or charge under this Act. Power to
exempt.

36. The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force or in any contract, custom or usage to the contrary. Act to
override
other laws.

37. (1) The State Government may make rules for carrying out the purposes of this Act. Power to
make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the matters which may be or is required to be prescribed.

(3) In making any rule the State Government may direct that a breach thereof shall be punishable with imprisonment which may extend to three months or with fine which may extend to five hundred rupees or with both and when the offence is a continuing one, with a daily fine not exceeding twenty-five rupees during the continuance of such offence.