

SIND ACT No. IX OF 1948¹.

[THE SIND URBAN IMMOVEABLE PROPERTY TAX ACT, 1948.]

[16th March, 1948].

An Act to provide for the levy of an Urban Immoveable property tax in the Province of Sind.

WHEREAS it is expedient to levy an Urban Immoveable Property Tax in the Province of Sind ; It is hereby enacted as follows :—

Short title.

1. (1) This Act may be called the Sind Urban Immoveable Property Tax Act, 1948.

(2) It shall apply² to such areas in the Province as the Provincial Government may from time to time by notification in the *Official Gazette* specify.

(3) This section shall come into force at once. The remaining sections shall come into force on the first day of April 1948.

Definitions.

2. In this Act unless there is anything repugnant in the subject or context—

(1) " Annual letting value " means—

³[(a) * * * * *]

(b) in ⁴* * Municipal areas, the annual letting value of buildings or lands as determined in accordance with the provisions of section 78 of the ⁵[Sind] Municipal Boroughs Act, 1925, or section 63 of the ⁵[Sind] District Municipal Act, 1901, as the case may be,

Sind XVIII of 1925.
Sind III of 1901.

(c) in villages the annual letting value determined in the manner prescribed,

(d) in the area of a Cantonment, the annual value as defined by section 64 of the Cantonments Act, 1924 ;

II of 1924.

1 For Statement of Objects and Reasons, see S. G. G., 1948, Pt. IV, p. 228; and for Proceedings in Assembly, see S. L. A. Debates, 1948, Vol. III, Book No. 4, p. 57, Book No. 9, pp. 19-32.

2 Applied to the Municipal and Cantonment limits of Karachi and Hyderabad, Municipal limits of Sukkur and Shikarpur, vide, G. N., F. D., No. 1605-F/V, dated 24th March 1948, S. G. G., 1948, Pt. I, p. 221.

3 Sub-clause (a) rep. by the Sind Laws (Adaptation, Revision, Repeal and Declaration) Ordinance, 1955 (Sind 5 of 1955), s. 6, Sch. II.

4 The words "the other" rep. *ibid.*

5 Subs. *ibid.*, s. 3(i) (w. e. f. 30th May 1951), for "Bombay".

(2) Buildings and lands have in the municipal areas and in the area of a cantonment the same meanings as they have in * * * the ²[Sind] Municipal Boroughs Act, 1925, the ²[Sind] District Municipal Act, 1901, or the Cantonments Act, 1924, as the case may be and in villages the same meaning as in the ²[Sind] District Municipal Act, 1901 :

Provided that if in any case the Property Tax is assessed on any building or land on its capital value, such percentage of the capital value as may be determined by the Provincial Government shall be deemed to be the annual letting value ;

(3) " Urban Immoveable Property tax " means a tax leviable under the provisions of section 3 ;

(4) " Municipality " includes a Notified Area Committee ;

(5) " Municipal area " means an area within the limits of a Municipality ;

(6) " Open land " means land which is not built upon or enclosed ;

(7) " Prescribed " means prescribed by rules ;

(8) " Property Tax " means in ³* * * * Municipal areas and in the area of a Cantonment a tax or rate on buildings or lands or a tax or rate in the form of such tax or rate on buildings or lands levied under the ²[Sind] Municipal Boroughs Act, 1925, or the ²[Sind] District Municipal Act, 1901, or the Cantonments Act, 1924, as the case may be ;

(9) " Rules " means rules made under section 13 ;

(10) " Sanitary Committee " means a Sanitary Committee constituted under the ²[Sind] Village Sanitation Act, 1889 ;

(11) " Village " means any local area declared by a notification in the *Official Gazette* by the Provincial Government to be a village for the purposes of this Act.

3. There shall, subject to the provisions of section 4, be levied and paid to the Provincial Government a tax on buildings and lands hereinafter called the " Urban Immoveable Property tax " at 5 per cent. of the annual letting value of such buildings or lands :

Levy of
Urban
Immoveable
Property
Tax.

¹ The words "the City of Karachi Municipal Act, 1933," rep. by the Sind Laws (Adaptation, Revision, Repeal and Declaration) Ordinance, 1955 (Sind 5 of 1955), s. 6, Sch. II.

² Subs. *ibid.*, s. 3(i) (w. e. f. 30th May 1951), for "Bombay".

³ The words "the City of Karachi the general tax levied under section 98 of the City of Karachi Municipal Act, 1933, and in other" rep. *ibid.*, s. 6, Sch. II.

⁴ Now see Sind Village Sanitation Act, 1955 (Sind 5 of 1955).

Provided that such tax shall be levied and paid to the Provincial Government at the rate of 2½ per cent. of the annual letting value¹ [**] on the buildings and lands the annual letting value of which does not exceed such amount as the Provincial Government may by notification in the *Official Gazette*, declare :

Provided further that in the municipal areas and in the area of a Cantonment if any building consists of more than one tenement and such tenements are separately assessed to the property tax, the urban immoveable property tax shall be assessed on the annual letting value of the buildings as a whole.

4. The Urban Immoveable Property tax shall not be leviable in respect of the following :—

(a) buildings and lands or portions thereof exclusively occupied for religious or charitable purposes ;

(b) buildings and lands used for accommodating an educational institution, a hospital, a nursing home, a maternity home or any other institution which has as its object the promotion of public health ;

(c) buildings and lands vesting in His Majesty for purposes of the Central Government ;

(d) buildings and lands vesting in His Majesty for purposes of the Provincial Government or belonging to a Municipality or a local board or a sanitary committee or Cantonment Board and used solely for public purposes and not used or intended to be used for purposes of profit ;

²(e) * * * * *

(f) open lands.

Explanation.—For the purposes of this section—

(1) the following buildings and lands or portions thereof shall not be deemed to be exclusively occupied for religious or charitable purposes, namely :—

(a) those in which trade or business is carried on ; and

¹ The dash and the brackets and the words "(a) in the City of Karachi on the building and lands the annual letting value of which does not exceed Rs. 2,000, and (b) in other areas", rep. by the Sind Laws (Adaptation, Revision, Repeal and Declaration) Ordinance, 1955 (Sind 5 of 1955), s. 6, Sch. II.

² Cl. (e) rep. *ibid.*

(b) those in respect of which rent is derived, whether rent is or is not applied exclusively to religious or charitable purposes.

(2) Where any portion of any building or land is exempt from the Urban Immoveable Property tax by reason of its being exclusively occupied for public workshop or for charitable purposes, such portion shall be deemed to be a separate property.

5. (1) The Urban Immoveable Property tax shall be collected—

(a) in the areas within the limits of a municipality by the municipality concerned notwithstanding any law under which such municipality is constituted ;

(b) in the area in a cantonment or within the limits of a village by such officer as the Provincial Government may authorise in this behalf (hereinafter in this Act called the authorized officer).

(2) The collection of the Urban Immoveable Property tax shall be made—

(a) in any area within the limits of a municipality in the same manner in which the property tax is collected in the area ; and

(b) in the area in a Cantonment and in any area within the limits of a village as an arrear of land revenue :

Provided that if in any area within the limits of a municipality no property tax is levied by the municipality concerned, the Urban Immoveable Property tax shall be collected in such manner as may be prescribed.

6. (1) If any person, on being served with a notice of demand for the collection of the Urban Immoveable Property tax in the manner provided in sub-section (2) of section 5, fails to pay within the period mentioned in the notice, any amount due from him on account of the said tax, the Municipality or the authorized officer, as the case may be, may subject to the general or special orders of the Provincial Government, recover from him as a penalty a sum not exceeding one-fourth of the amount of the tax so unpaid, in addition to the amount of such tax payable by him :

Provided that the Municipality or the authorized officer, as the case may be is satisfied that the person liable to pay the Urban Immoveable Property tax has wilfully failed to pay the amount of such tax.

Authorities competent to levy and collect Urban Immoveable property tax and the manner of such collection.

Penalty for default in payment of the Urban Immoveable property tax.

(2) Sums recoverable under this section shall be recovered in the manner provided in section 5 for the recovery of the Urban Immoveable Property tax.

7. The collection of the Urban Immoveable Property tax under section 5 and the recovery of the penalty under section 6 on behalf of any municipality shall be made by the appropriate municipal authority appointed to collect the property tax on behalf of such municipality under the law under which such municipality is constituted.

8. Notwithstanding anything contained in any law and notwithstanding any rights arising out of any contract or otherwise howsoever, all sums due on account of the Urban Immoveable Property tax levied under section 3 or as a penalty imposed under section 6 for failure to pay such tax, in respect of any building or land, shall, subject to the prior payment of the land revenue, if any, due to the Provincial Government thereon, be a first charge upon the said building or land and upon the moveable property, if any, found within or upon such building or land and belonging to the person liable for such tax or penalty.

9. A Municipality required to collect the Urban Immoveable Property tax under this Act shall be entitled as its cost of collection to such rebate as may be prescribed.

10. (1) The Urban Immoveable Property tax shall be leviable primarily on the actual occupier of the buildings or lands upon which the said tax is assessed, if he is the owner of the buildings or lands, or holds them on a building or other lease granted by or on behalf of Government, or on a building or other lease from any person or local authority.

(2) In other cases the Urban Immoveable Property tax shall be primarily leviable as follows :—

- (a) if the property is let, upon the lessor ;
- (b) if the property is sublet, upon the superior lessor ;
- (c) if the property is unlet, upon the person in whom the right to let vests.

(3) On failure to recover any sum due on account of the Urban Immoveable Property tax from the person primarily liable, there may be recovered from the occupier of any part of the building or land in respect of which the tax is due such portion of the sum, due as bears

Collection of the Urban Immoveable property tax and recovery of the penalty to be made by the appropriate municipal authority.

The Urban Immoveable property tax to be a first charge on premises on which it is leviable.

Municipality entitled to rebate for cost of collection.

Primary responsibility for the Urban Immoveable property tax.

to the whole amount due the same ratio which the rent annually payable by such occupier bears to the aggregate amount of the annual letting value thereof.

(4) Any occupier who makes any payment for which he is not primarily liable under this section shall be entitled to be reimbursed by the person primarily liable for the payment and may deduct the amount so paid from the amount of any rent from time to time becoming due from him to such person.

11. (1) * * * * *

Remission
and Refund.

Sind
III of
1901.
Sind
XVIII
of
1925.

(2) When any building or land assessed to Urban Immoveable Property tax is situated in any Municipal area * * * * *, if a remission or refund of the property tax is granted in respect of such building or land under sub-section (2) of section 69 of the ³[Sind] District Municipal Act, 1901, or sub-section (2) of section 86 of the ³[Sind] Municipal Boroughs Act, 1925, as the case may be, the Municipality concerned shall remit or refund such portion of the Urban Immoveable Property tax, in such manner and subject to such conditions as may be prescribed.

II of
1924

(3) When any building or land assessed to Urban Immoveable Property tax is situated in a Cantonment, if a remission or refund of the property tax is granted in respect of such building or land under sections 75, 76 or 77 of the Cantonments Act, 1924, the authorized officer shall remit or refund such portion of the Urban Immoveable Property tax, in such manner and subject to such conditions as may be prescribed.

12. (1) If any municipality makes default in the collection or payment to the Provincial Government of any sum due in respect of the Urban Immoveable Property tax, the Provincial Government may, after holding such inquiry as it thinks fit, fix a period for the collection or payment of such sum.

(2) If the collection or payment of such amount is not made within the period so fixed, the Provincial Government may, notwithstanding any law relating to the funds vesting in such municipality or any other law for the time being in force direct any bank in which any moneys of the municipality are deposited or the person in charge of the Government treasury or of any other place

¹ Sub-section (1) rep. by the Sind Laws (Adaptation, Revision, Repeal and Declaration) Ordinance, 1955 (Sind 5 of 1955) s. 6, Sch. II.

² The words "other than the City of Karachi", rep. *ibid.*

³ Subs. *ibid.*, s. 3(i) (w. e. f. 30th May 1951), for "Bombay".

of security in which the moneys of the municipality are deposited to pay such sum from such moneys as may be standing to the credit of the municipality in such bank or as may be in the hands of such person or as may from time to time be received from or on behalf of the municipality by way of deposit by such bank or person ; and such bank or person shall be bound to obey such order.

(3) Every payment made pursuant to an order under sub-section (2) shall be a sufficient discharge to such bank or person from all liability to the municipality in respect of any sum so paid by it or him out of the moneys of the municipality so deposited with such bank or person.

Rules.

13. (1) The Provincial Government may make rules¹ for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing provision such rules shall provide for the following matters :—

(a) the manner in which the annual letting value of buildings and lands in villages shall be determined ;

(b) the manner in which the Urban Immoveable Property tax shall be collected in any municipal area in which no property tax is levied ;

(c) the amount of rebate to which a municipality or other authority would be entitled under section 9 for the cost of collection of the Urban Immoveable Property tax ;

(d) the time at and the manner in which the amount of the Urban Immoveable Property tax collected shall be paid to the Provincial Government ;

(e) the portion of the Urban Immoveable Property tax which shall be refunded or remitted, and the manner in which, and conditions subject to which, such remission or refund shall be granted ;

(f) such other matters which in the opinion of the Provincial Government are required to be prescribed by rules.

(3) Rules made under this Act shall be laid upon the table of the Sind Legislative Assembly at the Session of the Assembly next following and shall be liable to be modified or rescinded by a resolution of the said Assembly and the modification or rescission so made shall, after publication in the *Official Gazette*, be deemed to have come into force.

¹ For Rules, in respect of matter mentioned in cls. (d) and (e) of sub-section (2), see G.N. F. D., No. 1605-F./III, dated 27th August, 1949, S.G.G., 1949, Pt. IV-A, p. 113 as subsequently amended.