

**BILLS INTRODUCED IN THE LEGISLATIVE ASSEMBLY
OF THE STATE OF TAMIL NADU**

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 20th April, 2023 is published together with Statement of Objects and Reasons for general information:—

L.A Bill No. 17 of 2023

A Bill further to amend the Tamil Nadu Urban Local Bodies Act, 1998.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-fourth Year of the Republic of India as follows:-

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Urban Local Bodies (Amendment) Act, 2023.

(2) It shall be deemed to have come into force on the 13th day of April 2023.

Substitution of section 91.

2. For section 91 of the Tamil Nadu Urban Local Bodies Act, 1998 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:—

Tamil Nadu Act 9 of 1999.

“91. Levy and collection of education tax.— The council may levy education tax within its area at such rate not exceeding five per cent of the annual value of all lands, buildings, telecommunication towers and storage structures built on or attached to land, as the council may determine, and collect such tax.”.

3. Notwithstanding anything contained in the principal Act, the education tax levied, collected or paid under the principal Act during the period commencing on and from the 13th day of April 2023 and ending with the date of publication of this Act in the *Tamil Nadu Government Gazette*, shall, for all purposes be deemed to be, and to have always been validly levied, collected or paid in accordance with law as if section 91 of the principal Act, as substituted by section 2 of this Act had been in force at all material times when such tax was levied, collected or paid and accordingly all acts, proceedings or things done or taken by any authority or officer in connection with the collection or payment of such tax shall for all purposes be deemed to be and to have always been validly done or taken in accordance with law.

Validation.

STATEMENT OF OBJECTS AND REASONS

The Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) which was under suspension since the year 2000, has been updated and revived by the Tamil Nadu Urban Local Bodies (Amendment) Act, 2022 (Tamil Nadu Act 35 of 2022). The said Tamil Nadu Act 9 of 1999 as amended by the said Tamil Nadu Act 35 of 2022 and the Tamil Nadu Urban Local Bodies Rules, 2023 framed thereunder have been brought into force with effect from the 13th April 2023.

2. Education Tax was levied on the annual value of property under the Tamil Nadu District Municipalities Act, 1920 (Tamil Nadu Act V of 1920) and the Corporation Acts which were repealed by the said Tamil Nadu Act 9 of 1999. On the same analogy, the Government have decided to enable the Municipal Corporations, Municipal Councils and Town Panchayats to levy and collect the education tax on the annual value of the property and to amend the said Tamil Nadu Urban Local Bodies Act, 1998 (Tamil Nadu Act 9 of 1999) suitably for the purpose.

3. The Bill seeks to give effect to the above said decision.

K.N.NEHRU,
Minister for Municipal Administration.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 2 of the Bill authorised the council of municipalities to levy education tax within its area and the rate specified therein.

2. The powers delegated are normal and not of an exceptional character.

K.N. NEHRU,
Minister for Municipal Administration.

Secretariat,
Chennai-600 009,
20th April 2023.

K. SRINIVASAN,
Secretary.