



LEGISLATIVE ASSEMBLY OF THE STATE OF GOA

**THE GOA TAX ON INFRASTRUCTURE
(AMENDMENT) BILL, 2008**

(Bill No. 3 of 2008)

^{AS}
~~(To be~~ introduced in the Legislative Assembly of the State of Goa)

**GOA LEGISLATURE SECRETARIAT
ASSEMBLY HALL, PORVORIM, GOA
MARCH, 2008.**

THE GOA TAX ON INFRASTRUCTURE (AMENDMENT) BILL, 2008

(BILL No. 3 of 2008)

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BILL

further to amend the Goa Tax on Infrastructure Act, 1997 (Act 12 of 1997).

5 BE it enacted by the Legislative Assembly of Goa in the Fifty-ninth Year of the Republic of India as follows:-

10 1. *Short title and commencement.*— (1) This Act may be called the Goa Tax on Infrastructure (Amendment) Act, 2008.

(2) It shall be deemed to have come into force on the 19th day of March, 2007.

15 2. *Amendment of section 2.*— In section 2 of the Goa Tax on Infrastructure Act, 1997 (Goa Act 12 of 1997) (hereinafter referred to as the “principal Act”),—

(i) after clause (4), the following clause shall be inserted, namely:-

20 “ (4A) “industrial building” means any building constructed for the purpose of carrying out medium and large scale

industrial activities within or outside the earmarked as industrial estates/areas but does not include buildings constructed for carrying out small scale industrial activity,"

(ii) in clause (6), the words "industrial enterprises" shall be omitted. 5

3. *Substitution of section 3.*— For section 3 of the principal Act, the following section shall be substituted, namely:-

"3. *Tax on Infrastructure.*— Any person who has constructed a multi-dwelling building or an industrial building, in respect of which the construction licence has been issued on or after 1-4-2006, shall, before grant of permission for occupation or use of such building, or part thereof, be liable to pay a tax at the rate of rupees forty per square meter of the floor area of such building as infrastructure tax." 10 15

4. *Amendment of section 5.*— In section 5 of the principal Act, in sub-section (1), for the expression "multi-dwelling building", the expression "multi-dwelling building or industrial building, as the case may be," shall be substituted. 20

5. *Amendment of section 7.*— In section 7 of the principal Act, for the expression "multi-dwelling building", the expression "multi-dwelling building or industrial building, as the case may be," shall be substituted. 25

6. *Repeal and Saving.*— (1) The Goa Tax on Infrastructure (Amendment) Third Ordinance, 30

2008 (Ordinance No. 3 of 2008) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken in exercise of the powers conferred by or under the principal Act, as amended by this Act. 5

STATEMENT OF OBJECTS AND REASONS

In terms of section 3 of the Goa Tax on Infrastructure Act, 1997 (Goa Act 12 of 1997) (hereinafter referred to as the "said Act"), any person who has constructed a multi-dwelling building in respect of which the construction licence has been issued on or after 8/4/1997, shall be liable to pay a tax at the rate of rupees thirty per square meter of the floor area of such building or part thereof. The Goa Tax on Infrastructure (Amendment) Third Ordinance, 2008 (Ordinance No. 3 of 2008) (hereinafter referred to as the "said Ordinance"), was promulgated by the Governor of Goa on 29/2/2008 so as to enhance the said rate of infrastructure tax from rupees thirty per square metre to rupees forty per square metre and also to widen the tax base by bringing medium and large scale industries under the infrastructure tax net.

The Bill seeks to repeal the said Ordinance and amend sections 2 and 3 of the said Act. Amendment to sections 5 and 7 are consequential in nature.

This Bill seeks to achieve the above objects.

Financial Memorandum

The said Act is being implemented through certain Officers empowered to collect the tax. As no special machinery is appointed for this purpose, no financial expenditure is involved while implementing the Act. Secondly, it is not possible to make any estimate about the revenue generation at this stage, as the number of large and medium scale industries are presently being approved by the Goa Industrial Development Corporation in the designated industrial estates. On an average, an additional amount of about Rs. 30 lakhs will be generated by virtue of increase in the rate of infrastructure tax from Rs. 30 per square metre to Rs. 40 per square metre.

Memorandum Regarding Delegated Legislation

No delegated legislation is involved in this Bill.

Panaji, Goa.

Dated: 17th March, 2008.

DIGAMBAR KAMAT

Hon. Chief Minister

Assembly Hall,

Porvorim, Goa.

Dated: 17th March, 2008.

R. KOTHANDARAMAN

Secretary to the Legislative

Assembly of Goa.

Governor's Recommendation under Article 207 of the Constitution

In pursuance of Article 207 of the Constitution of India, I, S. C. Jamir, Governor of Goa, hereby recommend to the Legislative Assembly of Goa, the introduction and consideration of the Goa Tax on Infrastructure (Amendment) Bill, 2008.

ANNEXURE

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**Extracts of Section 2, 3, 5 & 7 of Goa Tax of
Infrastructure Act, 1997 as amended on 17-1-1998.**
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2. *Definitions.*— In this Act, unless the context otherwise requires,-

(1) "competent authority" means such authority or officer of the Government, as the Government may, by Notification in the Official Gazette, specify;

(2) "Government" means the Government of Goa;

(3) "local authority" means a Municipal Council constituted under the Goa Municipalities Act, 1968 (Act No. 7 of 1969) or a Panchayat constituted under the Goa Panchayat Raj Act, 1994 (Act No. 14 of 1994);

(4) "infrastructure" means the provision of potable water, electricity, and other amenities like roads, sewage system, etc;

(5) "multi-dwelling building" includes any building consisting either of a single self contained unit having built up area of more than 100 sq. mts., or more than one independent unit used for domestic, commercial or office premises but does not include building constructed for educational institutions, industrial enterprises or by any other non-profitable organisations and such other organisations as may be notified by the Government in public interest.

3. *Tax on infrastructure.*— Any person who has constructed a multi-dwelling building in respect of which the construction licence has been issued on or after 8-4-1997, shall, before grant of permission for occupation or use of such building or part thereof, be liable to pay a tax

at the rate of rupees thirty per square metre of the floor area of such building as infrastructure tax.

5. Local authority not to issue occupancy certificate.-

(1) No local authority shall issue occupancy certificate to any multi-dwelling building unless the person applying for it produces a certificate from the competent authority that the tax due under this Act has been paid in respect of such building.

(2) No person shall occupy any building or part thereof unless the tax payable under this Act in respect of such building has been paid.

7. Penalty.- Whoever contravenes the provision of this Act shall, on conviction, be liable to imprisonment to a term not exceeding one year and also liable to pay as fine, twice the amount of tax payable under this Act in respect of the multi-dwelling building in respect of which the offence was committed.

Assembly Hall
Porvorim, Goa
Dated: 17th March, 2008

R. KOTHANDARAMAN
Secretary to the Legislative
Assembly of Goa