

**L. A. Bill No. IV OF 2024.**

*A BILL*

*further to amend the Mumbai Municipal Corporation Act.*

**(As passed by the Legislative Assembly on the 27th February, 2024.)**

5 WHEREAS both Houses of the State Legislature were not in session ;

III of  
1888.  
Mah.  
Ord. II  
of 2024. 10 AND WHEREAS the Governor of Maharashtra was satisfied that  
circumstances existed which rendered it necessary for him to take immediate  
action further to amend the Mumbai Municipal Corporation Act, for the  
purposes hereinafter appearing ; and, therefore, promulgated the Mumbai  
Municipal Corporation (Amendment) Ordinance, 2024 on the 15th February  
2024;

AND WHEREAS it is expedient to replace the said Ordinance, by an  
Act of the State Legislature; it is hereby enacted in the Seventy-fifth Year of  
the Republic of India, as follows :—

Short title  
and  
commencement.

**1.** (1) This Act may be called the Mumbai Municipal Corporation (Amendment) Act, 2024.

(2) It shall be deemed to have come into force on the 15th February 2024.

Amendment  
of section 154  
of III of 1888.

**2.** In section 154 of the Mumbai Municipal Corporation Act (hereinafter referred to as “the principal Act”), in sub-section (1D), after clause (a), the following clause shall be inserted, namely :—

5 III of  
1888.

“(a-1) Notwithstanding anything contained in sub-section (1C),—

(i) the capital value of any building or land fixed under sub-section (1A) shall not be revised in the year 2023-24 ;

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(ii) for the year 2023-24, the property tax bill for any building or land shall be the same as was for the year 2022-23 ;

(iii) the capital value of any building or land fixed under sub-section (1A) shall be revised in the year 2024-2025, as if clause (i) is not applicable for the year 2023-24.”

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Repeal of  
Mah. Ord. II  
of 2024 and  
saving.

**3.** (1) The Mumbai Municipal Corporation (Amendment) Ordinance, 2024 is hereby repealed.

Mah.  
Ord. II  
of 2024.

(2) Notwithstanding such repeal, anything done or any action taken (including any notification or order issued) under the corresponding provisions of the principal Act, as amended by the said Ordinance, shall be deemed to have been done, taken or, as the case may be, issued under the corresponding provisions of the principal Act, as amended by this Act.

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## STATEMENT OF OBJECTS AND REASONS

Clause (1) of section 139 of the Mumbai Municipal Corporation Act (III of 1888) provides for imposition of property taxes. Section 154 of the said Act provides for the determination of the rateable value or the capital value of any building or land assessable to a property tax. Sub-section (1A) of the said section 154 provides for the fixation of the capital value of any building or land assessable to a property tax by the Commissioner having regard to the factors mentioned thereunder. Sub-section (1B) thereof empowers the Commissioner to frame the rules, with the approval of the Standing Committee, with respect to the matters specified thereunder for the purpose of fixing capital value under sub-section (1A). Sub-section (1C) thereof provides that the capital value of any building or land fixed under sub-section (1A) of the said section 154 shall be revised every five years.

2. The Commissioner of Municipal Corporation of Brihan Mumbai has framed the Factors and Categories of Users of Buildings or Lands (Assignment of Weightages by Multiplication) Fixation of Capital Value Rules, 2010 and the Factors and Categories of Users of Buildings or Lands (Assignment of Weightages by Multiplication) Fixation of Capital Value Rules, 2015 under sub-section (1B) for the purpose of fixing capital value under sub-section (1A).

The Supreme Court in its judgment dated the 7th November 2022, in SLP (C) No. 17009 of 2019 struck down rule 20 of the said Capital Value Rules of 2010 and 2015 being *ultra vires* to the provisions of sub-sections (1A) and (1B) of section 154 of the said Act.

3. In view of this, it was not possible to fix the capital value under sub-section (1A) of said section 154 and to revise the capital value in the year 2023-24. It was, therefore, considered expedient to amend sub-section (1D) of section 154 of the said Act, suitably, to provide that the capital value of any building or land shall not be revised in the year 2023-24 and the property tax Bill for any building or land shall be same as was for the year 2022-23 and shall be revised in the year 2024-25.

4. As both Houses of the State Legislature were not in session and the Governor of Maharashtra was satisfied that circumstances existed which rendered it necessary for him to take immediate action further to amend the Mumbai Municipal Corporation Act, for the purposes aforesaid, the Mumbai Municipal Corporation (Amendment) Ordinance, 2024 (Mah. Ord. II of 2024), was promulgated by the Governor of Maharashtra on the 15th February 2024.

5. The Bill is intended to replace the said Ordinance by an Act of the State Legislature.

Mumbai,  
Dated the 22nd February, 2024.

EKNATH SHINDE,  
Chief Minister.



*ANNEXURE TO THE L. A. BILL No. IV OF 2024—  
THE MUMBAI MUNICIPAL CORPORATION (AMENDMENT)  
BILL 2024.*

*(Extracts from the Mumbai Municipal Corporation Act, 1888)*

**(Bom. III of 1888)**

**1. to 153.**                   \*\*                   \*\*                   \*\*                   \*\*

**154 (1).**                   \*\*                   \*\*                   \*\*                   \*\*

Rateable  
value or  
capital value  
how to be  
determined.

(1A) In order to fix the capital value of any building or land assessable to a property tax the Commissioner shall have regard to the value of any building or land as indicated in the Stamp Duty Ready Reckoner for the time being in force as prepared under the Bombay Stamp (Determination of True Market Value of Property) Rules, 1995, framed under the provisions of the Bombay Stamp Act, 1958, as base value] or where the Stamp Duty Ready Reckoner does not indicate value of any properties in any particular area wherein a building or and in respect of which capital value is required to be determined is situate, or in case such Stamp Duty Ready Reckoner does not exist, then the Commissioner may fix the capital value of any building or land taking into consideration the market value of such building or land, as a base value. The Commissioner, while fixing the capital value as aforesaid, shall also have regard to the following factors, namely :—

(a) the nature and type of the land and structure of the building,

(b) area of land or carpet area of building,

(c) user category, that is to say, (i) residential, (ii) commercial (shops, or the like), (iii) offices, (iv) hotels (upto 4 stars), (v) hotels (more than 4 stars), (vi) banks, (vii) industries and factories, (viii) school and college building or building used for educational purposes and (ix) malls and (x) any other building or land not covered by any of the above categories,

(d) age of the building, or

(e) such other factors as may be specified by rules made under sub-section (1B).

(1B) The Commissioner shall, with the approval of the Standing Committee, frame such rules as respects the details of categories of building or Land and the weightage by multiplication to be assigned to various such categories for the purpose of fixing the capital value under sub-section (1A).

(1C) The capital value of any building or land fixed under sub-section (1A) shall be revised every five years.

(1D) (a) Notwithstanding anything contained in sub-section (1C),—

(i) due to the spread of COVID-19 pandemic, the capital value of any building or land fixed under sub-section (1A) shall not be revised the year 2021-22 and the year 2022-23;

(ii) the year 2021-22 and the year 2022-23, the property tax bill for any building or land shall be the same as is the year 2021-22 and the year 2022-23 ;

(iii) the capital value of any building or land fixed under sub-section (1A) shall be revised in the year 2023-24, as if the clause (i) is not applicable the year 2021-22 and the year 2022-23.

(b) Subject to the proviso to sub-section (1C), the next revision shall be in the year 2025-26, and, thereafter, the revision of capital value of any building or land shall be in accordance with the provisions of sub-section (1C):

Provided that, the Commissioner may, for reasons to be recorded in writing, revise the capital value of any building or land any time during the said period of five years and shall accordingly amend the assessment book in relation to such building or land under section 167.

|                     |    |    |    |    |
|---------------------|----|----|----|----|
| (2)                 | ** | ** | ** | ** |
| <b>154A.</b>        | ** | ** | ** | ** |
| <b>155. to 528.</b> | ** | ** | ** | ** |
| <b>SCHEDULES.</b>   | ** | ** | ** | ** |



**MAHARASHTRA LEGISLATURE  
SECRETARIAT**

**[L. A. BILL No. IV OF 2024.]**

**[A Bill further to amend the Mumbai Municipal  
Corporation Act.]**

**[SHRI EKNATH SHINDE,  
Chief Minister.]**

**[As Passed by the Legislative  
Assembly on the 27th February, 2024]**

**JITENDRA BHOLE,  
Secretary (1) (I/C),  
Maharashtra Legislative Assembly.**