



The Maharashtra Zila Parishads and Panchayat Samitis (Amendment and Validation) Act, 1981

Act 46 of 1981

Keyword(s):  
Zila Parishad, Panchayat Samiti, Petitioner

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**THE MAHARASHTRA ZILLA PARISHADS AND PANCHAYAT  
SAMITIS (AMENDMENT AND VALIDATION) ACT, 1981.**

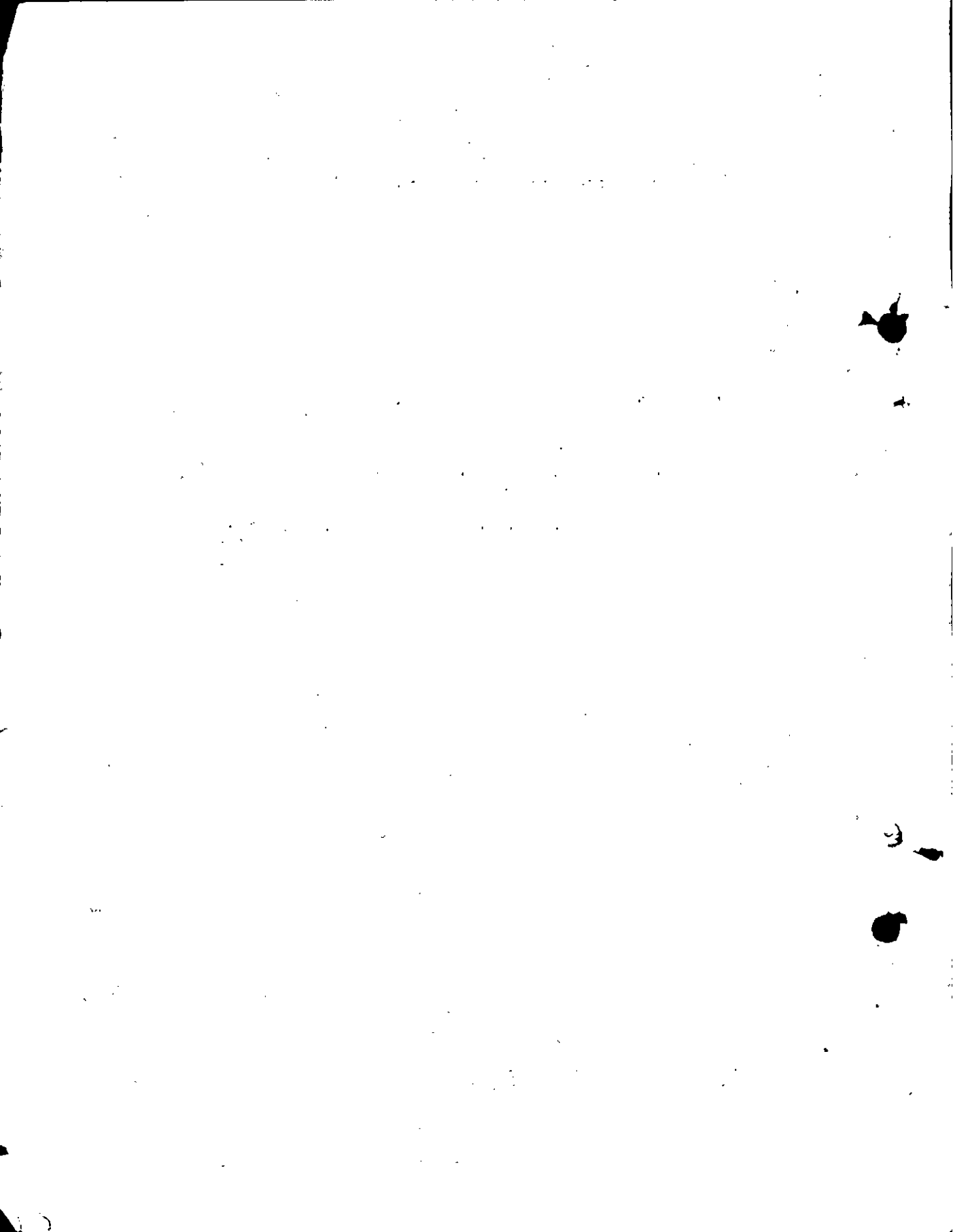
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**MAHARASHTRA ACT No. XLVI OF 1981.<sup>1</sup>**

[ THE MAHARASHTRA ZILLA PARISHADS AND PANCHAYAT SAMITIS  
(AMENDMENT AND VALIDATION) ACT, 1981.]

[This Act received assent of the Governor on 12th September 1981; assent was first published in the *Maharashtra Government Gazette*, Part IV, Extraordinary, on 15th September 1981.]

**An Act further to amend the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961 and to validate the levy and collection of a cess on lands on the basis of royalty on minerals therein.**

WHEREAS the State Legislature had enacted, with effect from the 13th day of July 1973, the Maharashtra Zilla Parishads and Panchayat Samitis (Amendment and Validation) Act, 1973, to add an Explanation to sections 144, 151 and 152 of the principal Act of 1961, in order to remove the doubt about the powers of the State Government to levy and collect a cess on lands on the basis of royalty in respect of minerals therein, when the minerals belong to Government, and to validate the cess levied and collected before the said date;

AND WHEREAS the said Act of 1973 was challenged before the Bombay High Court in Special Civil Applications No. 2480 of 1973 and No. 2529 of 1973;

AND WHEREAS the High Court by its judgement, dated the 26th June 1979 has held that the wording of the Explanation does not have the effect of empowering the State to levy any cess on the basis of royalty on the petitioners, but held that subsection (2) of section 2 of the said Act of 1973 which validates the recovery already made is a valid piece of legislation and is not affected by the fact that the Explanation is ineffective;

AND WHEREAS it is expedient further to amend the principal Act to take specific powers to the State Government to levy and collect, with retrospective effect, a cess on the lands, on the basis of royalty payable to Government in respect of minerals in any such lands, when the minerals belong to Government, and to validate the cess levied and collected before the commencement of this Act and to provide for recovery of arrears and other matters connected therewith; It is hereby enacted in the Thirty-second Year of the Republic of India as follows:—

1. This Act may be called the Maharashtra Zilla Parishads and Panchayat Samitis (Amendment and Validation) Act, 1981. Short title.

2. In each of sections 144, 151 and 152 of the Maharashtra Zilla Parishads and Panchayat Samitis Act, 1961 (in this Act referred to as "the principal Act"), the Explanation, at the end, shall be deemed to have been deleted on the 13th day of July 1973. Amendment of sections 144, 151 and 152 of Mah. V of 1962.

3. (Amendment has been incorporated in the principal Act.)

Insertion of section 156 in Mah. V of 1962.

<sup>1</sup> For Statement of Objects and Reasons, see *Maharashtra Government Gazette*, 1981, Part V, at p. 458.

**Validation of cess levied on the basis of royalty for minerals in any land, when minerals belong to Government.** 4. All cess levied and collected, or purported to have been levied and collected, at any time before the commencement of this Act, under the principal Act as amended by this Act, in respect of any land, where royalty in respect of minerals in such land (when the minerals belong to Government) is payable to the State Government, and the cess is levied on the basis of the sum payable as royalty, shall be deemed to be, and shall be deemed to have been, validly and properly levied and collected. Accordingly, no suit or other proceeding shall lie or be maintained or continued in any Court, for the refund of any cess so paid to the State Government, and no Court shall enforce any decree or order directing the refund of any cess so paid, on the ground only that the cess could not have been levied in respect of such lands or on the basis of royalty payable to the State Government for minerals in such lands, or on any similar ground.

**Assessment, levy and collection of cess payable before commencement of this Act.** 5. (1) As soon as may be, after the commencement of this Act, the collecting authority appointed by the Collector shall proceed to assess the cess levied under section 156 of the principal Act as inserted by this Act, which is due from and payable by any person in respect of any land, for any period or periods prior to the commencement of this Act, and, when the assessment proceedings are completed, serve on him a notice of demand for payment of the sum due to the State Government.

(2) Notwithstanding anything contained in sub-section (1), any person who is liable to pay the cess levied under the said section 156 for any period or periods prior to the commencement of this Act, may, within a period of sixty days from the date of such commencement, submit a statement to the collecting authority showing the amount of cess already paid by him and the amount of cess which remains to be paid by him according to his calculation for any specified period or periods, and when any such statement is received by the collecting authority from any person within time, the collecting authority shall duly consider it before completing assessment proceedings against such person.

(3) Where the sum due from any person according to the notice of demand served on him under sub-section (1) does not exceed rupees one lakh, the collecting authority shall call upon the person liable to pay the cess to pay the full amount within three months from the receipt of such notice by him.

(4) Where such sum exceeds rupees one lakh, but does not exceed rupees two lakhs, the collecting authority shall call upon such person to pay rupees one lakh within three months from the receipt of such notice by him and to pay the balance within the next three months.

(5) Where such sum exceeds rupees two lakhs, the collecting authority shall call upon such person to pay rupees one lakh within three months from the receipt of such notice by him and to pay the balance in two equal instalments, the first within the next six months and the second within the further six months.

(6) Notwithstanding anything contained in sub-sections (4) and (5), any person, on whom a notice of demand is served under sub-section (1), may pay the full or larger amount at any time, before any sum becomes due under the facility of instalments given to him by the collecting authority.

(7) If the cess has been levied and collected from any person exceeds the amount due from and payable by him under the said section 156, the person concerned shall, on an application to the collecting authority, be entitled to a refund of the amount of difference found due, after holding such inquiry as the collecting authority deems necessary, between the amount of cess collected from him and the amount of cess chargeable to him under the said section 156.