

CHAPTER VI

MUNICIPAL PROPERTY AND LIABILITY

Acquisition of property 101. The Corporation shall, for the purpose of this Act, have power to acquire and hold movable and immovable property, or any interest therein whether within or without the limits of the city.

Acquisition of immovable property by agreement. 102. Whenever the Corporation decides to acquire any immovable property for the purpose of this Act, the Commissioner shall acquire such property on behalf of the Corporation by agreement on such terms and at such price as may be approved by the Standing Committee.

Procedure when immovable property cannot be acquired by agreement. 103. (1) Whenever the Commissioner is unable to acquire any immovable property by agreement under section 102, the Government may, in its discretion, upon the application of the Commissioner, made with the approval of the Standing Committee and subject to the other provisions of this Act, order proceedings to be taken for acquiring the same on behalf of the Corporation, as if such property were land needed for a public purpose within the meaning of the Land Acquisition Act of 1894.

(2) The amount of compensation awarded and all other charges incurred in the acquisition of any such property shall, subject to all other provisions of this Act, be paid by the Corporation.

Provisions governing disposal of Municipal property. 104. With respect to the disposal of property belonging to the Corporation the following provision shall have effect, namely :—

- (a) The Commissioner, may, in the interest of Corporation dispose of by sale, letting out on hire or otherwise, any movable property belonging to the Corporation not exceeding one thousand rupees in value in each instance or grant a lease of any immovable property belonging to the Corporation including any right of fishing or gathering and taking fruit, and the like, for any period not exceeding twelve months at a time.

The Commissioner shall bring all such transactions to the notice of the Standing Committee within 15 days of their execution.

- (b) With the sanction of the Standing Committee the Commissioner may dispose of by sale, letting out on hire or otherwise any movable property belonging to the Corporation of which the value does not exceed five thousand rupees ; and may with the like sanction grant a lease of any immovable property belonging to the Corporation, including any such right as aforesaid, for any period exceeding one year or sell or grant a lease in perpetuity of any immovable property belonging to the Corporation the value or premium whereof does not exceed three thousand rupees.
- (c) With the sanction of the Corporation the Commissioner may lease, sell, let out on hire or otherwise convey any property, movable or immovable, belonging to the Corporation.
- (d) The consideration for which any immovable property or any right belonging to the Corporation may be sold, leased or otherwise transferred shall not be less than the current market value thereof.
- (e) The sanction of the Standing Committee or of the Corporation under clause (b) or clause (c) may be given either generally for any class of cases or specially in any particular case.
- (f) The provisions of this section and the rules made under this Act shall apply to such disposal of property belonging to the Corporation :

Provided that—

- (a) no property vesting in the Corporation for the purpose of any specific trust shall be leased, sold or otherwise conveyed in such a manner that the purpose for which it is held will be prejudicially affected ; and

- (b) no property transferred to the Corporation by the Government shall be leased, sold or otherwise conveyed in any manner contrary to the terms of the transfer, except with the prior sanction of the Government.

Decisions on claims to property by or against Corporation.

105. (1) Where any immovable property or any right in or over any such property is claimed by or on behalf of the Corporation, or by any person as against the Corporation, the Collector may after formal inquiry, of which due notice has been given pass an order deciding the claim.

(2) The Corporation or any person aggrieved by an order passed by the Collector under subsection (1) may, notwithstanding anything contained in any law for the time being in force, within one year from the date on which the Corporation or such person had due notice of such order, institute a suit in any competent Civil court to set aside such order and/or to grant a relief in lieu thereof.

Property vested in Corporation.

106. Subject to any special reservation made or to any special conditions imposed by the Government, all property of the nature hereinafter specified and situated within the city, shall vest, in and be under the control of the Corporation and with all other property which has already vested, or may herewith vest in the Corporation, shall be held and applied by it for the purposes of this Act, that is to say:—

- (a) all public town-walls, gates, markets, slaughter houses, manure and nightsoil depots and public buildings of every description, which have been constructed or are maintained by the local authorities prior to the establishment of the Corporation ;
- (b) all public streams, springs, and works for the supply, storage and distribution of water for public purposes, and all bridges, buildings, engines, materials and things connected therewith, or appertaining thereto and also any adjacent land (not being private property) appertaining to any public tank or well;

- (c) all public sewers and drain, and all sewers, drains, culverts and water-courses in or under any public street, or constructed by or for the Corporation along-side any public street, and all works, materials and things appertaining thereto ;
- (d) all dust, dirt, dung, ashes, refuse, animal matter or filth or rubbish of any kind, or dead bodies of animals collected by the Corporation from the streets, houses, privies, sewers, cesspools or elsewhere or deposited in places fixed by the Corporation ;
- (e) all public lamps, lamp-posts and apparatus connected therewith or appertaining thereto ;
- (f) all land or other property transferred to the Corporation by the Government or acquired by gift, purchase or otherwise for local public purposes;
- (g) all public streets, not being land owned by the Government and the pavements, stone and other materials thereof and also trees growing on, and erections, materials, implements and things provided or such streets.

Map of im-
movable
property.

107. The Corporation shall maintain a register and a map of all immovable property of which it is the proprietor or which vests in it or which it holds in trust.

Resumption
by Govern-
ment.

108. The Government may resume any immovable property transferred to the Corporation by it or by any local authority, where such property is required for a public purpose, without payment of any compensation other than the amount paid by the Corporation for such transfer and the market value at the date of resumption of any buildings or works subsequently erected or executed thereon by the Corporation with the intention that such buildings or works should be permanent :

Provided that compensation need not be paid for buildings or works constructed or erected in contravention of the terms of the transfer.

Manage-
ment of
Public insti-
tutions.

109. (1) The management, control and administration of every public institution maintained out of the Municipal Fund shall vest in the Corporation.

(2) When any public institution has been placed under the direction, management and control of the Corporation, all property, endowments and funds belonging thereto shall be held by the Corporation in trust for the purposes to which such property, endowments and funds were lawfully applicable, at the time when the institution was so placed:

Provided that the extent of the independent authority of the Corporation in respect of any such institution may be prescribed by the Government:

Provided also that nothing in this section shall be held to prevent the vesting of any trust property in the Treasurer of Charitable Endowments under the Charitable Endowments Act, 1890. VI of 1890

PART III

CHAPTER VII

FINANCE

The Municipal Fund

Municipal Fund 110. Save as otherwise provided in this Act, the balance at the credit of the Gauhati Municipal Board or any other local authority in the city immediately before the establishment of the Corporation and all moneys realised or realisable under this Act and all moneys otherwise received by the Corporation shall be credited to a fund which shall be called "the Municipal Fund" and which shall be held by the Corporation in trust for the purpose of this Act.

Receipt of moneys and deposit in Bank. 111. All moneys payable to the credit of the Municipal Fund shall be forthwith paid into the State Bank of India to the credit of an account which shall be styled "the account of the Municipal Fund of the Corporation of Gauhati".

Application of Municipal Fund 112. (1) The moneys from time to time credited to the Municipal Fund shall be applied in payment of all sums, charges and costs, necessary for carrying out the purpose of this Act, or the payment of which is duly directed or sanctioned by or under any of the provisions of this Act.

(2) Such moneys shall likewise be applied in payment of all sums payable out of this Municipal Fund under any other enactment for the time being in force.

**Drawal of
the Municipal
Fund**

113. (1) No payment shall be made by the State Bank of India out of the Municipal Fund except upon a cheque signed by the Commissioner.

(2) Except in the case of salaries upto three hundred rupees, which may be paid in cash, payment of any sum due by the Corporation exceeding one hundred rupees in amount shall be by means of a cheque signed as provided in sub-section (1) and not in any other way.

(3) Payment of any sum due by the Corporation not exceeding one hundred rupees in amount may be made in cash.

**Restriction
on expenditure
from
Municipal
Fund**

114. Except as hereinafter provided, no payment of any sum out of the Municipal Fund shall be made by the Commissioner unless the expenditure of the same is covered by a current budget grant and a sufficient balance of such budget grant is still available notwithstanding any reduction or transfer thereof which may have been made under the provisions of this Act:

Provided that this section shall not apply to payments made in the following classes of cases, namely:—

- (a) refunds of taxes and other moneys which are authorised by this Act;
- (b) repayments of moneys belonging to contractors or other persons and held in deposit and of moneys collected or credited to the Municipal Fund by mistake;
- (c) sums payable in any of the following circumstances:—
 - (i) under orders of the Government;
 - (ii) under the decree or order of a Civil or Criminal Court passed against the Corporation;
 - (iii) under a compromise of any claim, suit, or other legal proceedings;
 - (iv) on account of cost incurred in taking immediate action by any of the Municipal authorities to avert a sudden threat of danger to the property of the Corporation or to human life;
- (d) temporary payments for work urgently required by the Government in the public interest under section 116 of this Act;

- (e) sums payable as compensation under this Act or under any rules or bye-laws made thereunder; and
- (f) expenses incurred by the Corporation on special measures taken at the outbreak of dangerous diseases.

Procedure when money not covered by budget grant is expended.

115. Whenever any sum is expended under clauses (c), (d), (e), (f) of proviso to Section 114, the Commissioner shall forthwith communicate the circumstances to the standing Finance Committee which may take or recommend to the Corporation to take such action under the proviso of this Act as shall, in the circumstances, appear possible and expedient for covering the amount of the additional expenditure.

Payments from the Municipal Fund for works urgently required for the public service.

116. On the written requisition of the Government, the Commissioner may at any time undertake the execution of work certified by the Government to be urgently required in public interest, and for this purpose may make payment from the Municipal Fund so far as the same can be met without unduly interfering with the regular working of the Municipal administration.

Investment of Surplus money.

117. (1) Surplus moneys at the credit of the Municipal Fund which cannot immediately or at an early date be applied to the purposes of this Act or of any loan raised thereunder, may be, from time to time, deposited at the State Bank of India or any other Scheduled Bank or any other Bank which may be approved by the State Government or be invested in public securities.

(2) All such deposits and investments shall be made by the Commissioner on behalf of the Corporation with sanction of the Standing Committee and, with the like sanction, the Commissioner may at any time withdraw any deposit so made or dispose of any securities and redeposit or reinvest the money so withdrawn or the proceeds of the disposal of such securities.

(3) The loss, if any, arising from any such deposit or investment shall be debited to the Municipal Fund.

Constitution of special funds.

118. The Corporation shall constitute such special funds as may be prescribed and such other funds as may be necessary for the purposes of this Act. The constitution and disposal of such funds shall be effected in the manner prescribed.

CHAPTER VIII

BUDGET ESTIMATES

Estimates of expenditure and income to be prepared annually by the Commissioner.

119. The Commissioner in consultation with the Mayor shall, on or before the 15th day of December each year, prepare and submit to the Standing Finance Committee in such form as the Corporation may from time to time approve—

- (a) an estimate of the expenditure which should in his opinion be incurred by the Corporation in the next year ;
- (b) an estimate of all balances, if any, which will be available for re-appropriation or expenditure at the commencement of the said year ;
- (c) a statement of the proposals as to taxation which it will, in his opinion, be necessary or expedient to impose under this Act in the said year ;
- (d) an estimate of receipt from all sources during the said year ; and
- (e) an estimate of loans to be raised for the purposes of this Act.

Framing of Budget Estimates.

120. (1) The Standing Finance Committee shall on or as soon as may be after the 15th day of December each year consider the estimates and proposals, submitted under section 119 and after calling for such further detailed information as it shall think fit from the Commissioner and having regard to all the requirements of this Act shall, on the basis of such estimates and proposals, frame, subject to such modifications or additions thereto as it may think fit, Budget Estimates of the income and expenditure of the Corporation for the next year.

(2) The Commissioner shall cause the Budget Estimates as finally approved by the Standing Finance Committee to be printed and shall not later than the 15th day of February forward a printed copy thereof to each Councillor.

(3) The Budget Estimates prepared by the Standing Finance Committee shall be laid before the corporation on the 19th February or as soon as possible

thereafter and the Corporation shall consider the same. It may refer the estimates back to the Standing Committee for further consideration and re-submission within a specified time and shall on or before the 22nd day of March in each year adopt Budget Estimates of the income and expenditure for the next year.

(4) In the Budget Estimates the Corporation shall among other things—

- (a) make adequate and suitable provisions for such of the several duties imposed by this Act;
- (b) provide for the payment of all instalments of the principal and interest as they fall due for which the Corporation may be liable in respect of loans contracted by it;
- (c) allow for a closing balance at the end of the year of not less than one lakh rupees as prescribed by rules.

Power of Corporation to alter budget-grants.

121. (1) The Corporation may, on the recommendation of the Standing Finance Committee, from time to time during the year:—

- (a) increase the amount of the budget-grant under any head;
- (b) make an additional budget-grant to meet any special or unforeseen requirement arising during the same year;
- (c) transfer the amount or portion of the amount of the budget-grant under any head to the budget-grant under any other head; and
- (d) reduce the amount of the budget-grant under any head:

Provided that—

- (i) due regard shall be had to all the requirements of this Act; and
- (ii) in making any increase or additional budget-grant, the estimated closing balance at the end of the year shall not be reduced below one lakh rupees.

(2) Every increase to a budget-grant made in any year under sub-section (1) shall be deemed to be included in the Budget Estimates finally adopted for that year.

Power of Corporation to readjust income and expenditure during the year. 122. (1) If at any time during the year it appears to the Corporation that, notwithstanding any reduction of budget-grant that has been made under section 121, the income of the Municipal Fund during the same year will not be sufficient to meet the expenditure sanctioned in the Budget Estimate of the year and to leave at the end of the year a closing balance of one lakh rupees, then it shall be incumbent on the Corporation to take any measures which it may consider necessary for proportioning the year's income to the expenditure.

(2) For the purposes of sub-section (1), the Corporation may either diminish the sanctioned expenditure of the year, so far as it may be possible with due regard to all the requirements of this Act, or have recourse to supplementary taxation or to an increase of the rates, or adopt all or any of those methods.

Provision as to unexpended budget-grant. 123. If the whole or any part of any budget-grant included in the Budget estimates for a year remains unexpended at the end of that year, and the amount thereof has not been taken into account in the opening balance entered in the budget estimate of any of the next two following years, the Standing Finance Committee may sanction the expenditure of such budget-grant or the unexpended portion thereof during the next two following years for the completion of the purpose or object for which the budget-grant was originally made and not for any other purpose or object.

CHAPTER IX

BORROWING

Power of Corporation to borrow. 124. (1) The Corporation may, in pursuance of any resolution passed by it and with the prior approval of the State Government borrow by way of debentures or otherwise sums of money which may be required—

- (a) for acquiring any land which it has power to acquire ;
- (b) for erecting any building which it has power to erect ;
- (c) for the execution of any permanent work, the provision of any plant, or the doing of any other thing, which it has power to execute, provide or do ;

(d) to pay off any debt due to the Government;

(e) to repay a loan previously raised under this Act or any other Act previously in force ; or

(f) for any other purpose for which the Corporation is, by virtue of this Act or any other law for the time being in force, authorised to borrow.

(2) When any sum of money has been borrowed under sub section (1) no portion of any sum of money borrowed for any of the purposes referred to in sub-section (1) shall be applied to the payment of salaries and allowances to any municipal employee other than those exclusively employed in connection with the carrying out of that purpose.

Form and effect of debentures. 125. (1) Debentures issued under this Act shall be in such form as the Corporation may with the previous sanction of the State Government from time to time determine.

(2) The holder of any debenture in any form duly authorised under sub-section (1) may obtain in exchange therefor, upon such terms as the Corporation shall from time to time determine, a debenture in any other form so authorised.

(3) Every debenture issued by the Corporation under this Act shall be transeferable by endorment.

(4) The right to payment of the moneys secured by any of such debentures and to sue in respect thereof shall vest in the holder for the time being without any preference by reason of some of such debentures being prior in date to others.

Payment to
survivors of
joint payees.

126. When any debenture or security issued under this act is payable to two or more persons jointly, and any of them dies, then, the debenture or security shall be payable to the survivor and legal heir of the deceased.

Receipt by
joint holder
for interests
or dividend.

127. When two or more persons are joint holders of any debenture or security issued under this Act, any one of such persons may give an effectual receipt for any interest or dividend payable in respect of such debenture or security, unless notice to the contrary has been given to the Corporation by the other or others.

Maintenance
and invest-
ment of
sinking fund.

128. (1) The Corporation shall maintain sinking funds for repayment of money borrowed under section 124 and shall pay every year into such sinking fund such sum as will be sufficient for the repayment within the period fixed for the loan of all moneys borrowed.

(2) All money of the sinking fund shall, as soon as possible, be invested by the Commissioner in public securities and every such investment shall be reported by the Commissioner to the Corporation within fifteen days.

(3) All dividends and other sums received in respect of any such investment shall, as soon as possible after receipt, be paid into the sinking fund and invested in the manner laid down in sub-section (2).

(4) When any part of a sinking fund is invested in Municipal debentures, or is applied in paying off any part of a loan before the period fixed for repayment, the interest which would otherwise have been payable on such debentures or on such part of the loan shall be paid into the sinking fund and invested in the manner laid down in sub-section (2).

(5) Any investment made under this section may, subject to the provisions of sub-section (2), be varied or transposed.

Application of Fund. 129. A sinking fund or any part thereof shall be applied in or towards the discharge of the loan or a part of the loan for which such fund was created, and until such loan or part is wholly discharged shall not be applied for any other purpose:

Provided that when any loan or part thereof had been consolidated under section 131, the Commissioner shall transfer to the sinking fund of the consolidated loan, such part of the sinking fund of the original loans as may be proportionate to the amount of the original loans incorporated in the consolidated loan.

Annual statement by Commissioner. 130. (1) The Commissioner shall, at the end of every year, submit to the Corporation a statement showing—

- (a) the amount which has been invested during the year under section 128 ;
- (b) the date of the last investment made previous to the submission of the statement ;
- (c) the aggregate amount of the securities then in his hands, and
- (d) the aggregate amount which has up to the date of the statement been applied under section 129, in or towards discharging loans.

(2) Every such statement shall be published in the official Gazette.

Power of Corporation to consolidate loans. 131. (1) Notwithstanding anything to the contrary contained in this part, the Corporation may consolidate all or any of its loans and for that purpose may invite tenders for a new loan, to be called "the Corporation Consolidated Loan, 19—" and invite holders of the municipal debentures to exchange their debentures for scrips of such loan.

(2) The terms of any such consolidated loan and the form of its scrip and the rates at which exchange into such consolidated loan shall be permitted shall be subject to the prior approval of the Government.

(3) The period for the exchanging of any such consolidated loan shall not, extend beyond the farthest date within which any of the loans to be consolidated would otherwise be repayable.

(4) The Corporation shall provide for the repayment of any such consolidated loan by a sinking fund in the manner laid down in section 128, having regard to the amount transferred to such sinking fund under section 129.

Priority of payment for interest and repayment of loans over other payments.

132. All payment due from the Corporation for interest on and repayment of loans shall be made in priority to all other payments due from the Corporation.

Attachment of Municipal Fund for recovery of money borrowed.

133. (1) If any money borrowed or deemed to have been borrowed by the Corporation or any interest or costs due in respect thereof be not repaid according to the conditions of the loan, the Government may attach the Municipal Fund or any part thereof after serving notice in the manner prescribed.

(2) After such attachment no person except an officer appointed in this behalf by the Government shall in any way deal with the attached fund ; but such officer may do all acts in respect thereof which any Municipal authority or other employees might have done if such attachment had not taken place, and may apply the proceeds in satisfaction of the arrears and of all interest and costs due in respect thereof and of all expenses caused by the attachment and subsequent proceedings :

Provided that no such attachment shall defeat or prejudice any debt for which the fund was previously charged in accordance with law ; and all such prior charges shall be paid out of the proceeds of the fund before any part of the proceeds is applied to the satisfaction of the debt.

CHAPTER X

AUDIT AND ACCOUNTS

Accounts to be kept in a form approved by Standing Committee. 134. Subject to any rules made by the Corporation in this behalf, accounts of receipts and expenditure of the Corporation shall be kept in such manner and in such form as the Standing Finance Committee may from time to time determine.

Transmission of Accounts to Government. 135. The Corporation shall, as soon as the accounts of the past year have been finally passed by it, transmit to the Government an account in such form as the Government may from time to time direct.

Annual Administration Report and Statement of accounts by Corporation. 136. (1) The Commissioner shall as soon as may be after the 1st day of April, in each year cause to be prepared a detailed report of the Municipal administration of the city during the previous year, together with a statement showing the amounts of the receipts and disbursements, respectively credited and debited to the Municipal Fund during the previous year, and the balance at the credit of the said fund at the close of the said year.

(2) The Commissioner shall place the said report and statement before the Corporation for consideration and forward a copy thereof to each councillor and to the Government.

Monthly abstract Accounts. 137. (1) The Commissioner shall prepare monthly an abstract of the receipts and expenditure of the month last preceding and place such abstract before the Standing Finance Committee.

(2) For this purpose, the Standing Finance Committee shall have access to all the Municipal accounts and to all records and correspondence relating thereto, and the Commissioner shall forthwith furnish to the Standing Finance Committee any explanation concerning receipts and disbursement which it may call for.

Audit of Accounts. 138. (1) The Municipal accounts shall be audited by or under the order of the Examiner of Local Accounts, Assam hereinafter referred to as the Examiner in accordance with the prescribed procedure.

(2) The Corporation shall pay from the Municipal Fund such charges for audit as may be prescribed.

(3) The Examiner without prejudice to the generality of sub-section (1) shall include in his report,—

(a) any payment which appears to him to be contrary to law ;

(b) the amount of any deficiency or loss which appears to have been caused by the gross negligence or misconduct of any person including the Administrator of a superseded Corporation ;

(c) the amount of any sum received which ought to have been but is not brought into account by any person ; and

(d) any material impropriety or irregularity in the expenditure or in the recovery of money due to the Corporation or in the Municipal accounts.

(4) As soon as practicable after the completion of the audit, the Examiner shall prepare a report on the accounts audited and examined and shall send such report to the Corporation and a copy thereof to the Government.

Commissioner to submit accounts to auditors.

139. It shall be the duty of the Commissioner to submit all accounts which are subject to audit to the Examiner of Local Accounts as required by him.

Powers of auditors to require production of documents.

140. The Examiner may,—

(a) by written summons, require the production, before any officer subordinate to him assigned for the purpose of audit, of any documents which he may consider necessary for the proper conduct of audit ;

(b) by written summons require any person accountable for, or having the custody or control of any such document to appear in person before him ; and

(c) require any person so appearing before him to make and sign a declaration with respect to such document or to answer any question or prepare and submit any statement.

Municipal authorities to remedy defects and report to Government.

141. (1) The Corporation, the Standing Committee or the Commissioner, as the case may be shall forthwith remedy any defects or irregularities that may be pointed out by the Examiner and shall report to the Government the action taken by the municipal authority concerned:

Provided that if there is a difference of opinion between the municipal authority and the Examiner, or if the municipal authority does not remedy any defect or irregularity within a period considered by the Examiner to be reasonable, the matter shall be referred to the Government within such time and in such manner as the Government prescribe and the Government shall be competent to pass such orders thereon as it thinks fit. The orders of the Government shall be final and the municipal authority shall take action in accordance therewith.

(2) If within any period fixed by an order made by the Government under sub-section (1), the municipal authority concerned fails to comply with such order, the provisions of section 422 shall with all necessary modifications, be deemed to apply.

Examiner to surcharge or charge illegal payment or loss caused by gross negligence, misconduct, etc.

142. (1) The Examiner may, after giving the person concerned, an opportunity for tendering an explanation in writing, and making such other enquiry as he may consider necessary, disallow any item in the accounts which appears to him to be contrary to law and surcharge the same on the person making or authorising the illegal payment and may charge, against person responsible therefor the amount of any deficiency or loss caused by negligence or misconduct of that person, or any sum received which ought to have been but is not brought into account by that person and shall, in every such case certify the amount due from such person:

Provided that no expenses paid by any person shall be disallowed by the Examiner if they have been sanctioned by the Government.

(2) The Examiner shall state in writing the reason for his decision in respect of every disallowances, surcharge or charge and shall send by registered post a copy thereof to the person against whom it is made.

(3) If the amount is not paid within fourteen days from the expiry of the period of appeal prescribed by the sub-section (4), the Collector, at the request of the Examiner, shall proceed forthwith to recover the amount as if it were an arrear of land revenue, and have it credited to the Municipal Fund.

(4) Any person aggrieved by a disallowance, charge or surcharge made by the Examiner may appeal to the Commissioner of Plains Division.

(5) The appellate authority on such appeal shall have the power to confirm, vary or quash the decision of the Examiner with such directions as it thinks fit, for giving effect to the decision of appeal:

Provided further that nothing in this Section shall be deemed to debar the aggrieved party from seeking a remedy in a civil court against an order made under sub-section (1).

Special Audit at the direction of Government. 143. The Government may at any time direct the Examiner or any other Government or non-Government agency to make a special audit of Municipal accounts and report thereon to the Government, and the cost of conducting such special audit shall be met from the Municipal fund.

PART IV

CHAPTER XI

Taxation

Taxes to be imposed under this Act. 144. (1) For the purposes of this Act, the Corporation shall impose following taxes, namely:—

- (a) property taxes ;
- (b) a tax on draught animals, vessels and vehicles other than those mechanically propelled ;
- (c) a tax on theatres, theatrical performance and other shows for public amusements ;
- (d) a tax on advertisement other than advertisements published in the newspapers ;
- (e) a duty on the transfer of property ;
- (f) a tax on profession, trades and calling.

(2) In addition to the taxes mentioned in sub-section (1), the Corporation may, for the purposes of this Act, levy any or all of the following taxes, namely:—

- (a) a betterment tax on properties whose value may have increased as a result of town planning scheme undertaken in the city ;

- (b) a tax on dogs kept within the city ;
- (c) a toll on vehicles and animals entering the city but not liable to taxation under clause (b) of sub-section (1) ;
- (d) market dues on persons exposing goods for sale in any market or in any space belonging to or under the control of Government or of the Corporation;
- (e) a drainage tax where a system of drainage has been introduced ;
- (f) a tax on pilgrims resorting periodically to a shrine within the limits of the Corporation ;
- (g) a tax on passengers and goods carried by road or inland waterways ;
- (h) a toll on new bridges constructed by the Corporation ;
- (i) Octroi ; and
- (j) any other tax with the prior approval of the State Government.

Levy of Surchage on tax. 145. The Corporation may levy, with the sanction of the Government, a surcharge on any tax other than taxes on profession, trades and callings, levied by the Corporation for the purpose of providing any specific civic service or amenity :

Provided that no such surcharge shall be levied if a tax or cess is already being levied for the same purpose by the Corporation.

Procedure in levying tax, etc. 146. Before the Corporation passes any resolution imposing a tax or duty or fee for the first time, it shall direct the Commissioner to publish a notice in the Gazette or in the local newspapers clearly indicating the nature and amount of the tax or duty or fees and the date from which it is proposed to impose such tax, duty or fees :

Provided that any resolution abolishing an existing tax or duty or fees or reducing or increasing the rates at which any tax or duty or fee is levied shall not be carried into effect without the sanction of the Government.