

at the expense of the holder of the land, and only when no rate in respect of such additional advantages is levied under any law relating to irrigation in force in any part of the State :

Provided that, the State Government shall, before making such direction, publish a notice in this behalf in Marathi in the village concerned and shall consider the objections, if any, received to the proposal contained therein, and no such direction shall be issued until after the expiry of a period of six months from the date of publication of such notice.

**106.** The Collector may, at any time during the term of settlement, after giving notice to the holder correct any error in the area or assessment of his holding due to mistake of survey or arithmetical miscalculation :

Power of  
Collector to  
correct  
errors.

Provided that, no arrears of land revenue shall become payable by reason of such correction ; but excess payment as land revenue made, if any, shall be adjusted against the payment of land revenue which may become due.

**107.** All settlement of land revenue heretofore made and in operation at the date of the commencement of this Code, shall be deemed to have been made and introduced in accordance with the provisions of this Chapter ; and shall continue to remain in operation until the introduction of a revision settlement under the provision of this Code.

Settlement  
made before  
this Code to  
be deemed  
to be made  
under this  
Chapter.

## CHAPTER VII.

### ASSESSMENT AND SETTLEMENT OF LAND REVENUE OF LANDS USED FOR NON-AGRICULTURAL PURPOSES.

**108.** In this Chapter, unless the context requires otherwise, “ full market value ” in relation to any land means an amount equal to the market value of that land *plus* the amount representing the capitalised assessment for the time being in force. <sup>1</sup>[The capitalised assessment shall be determined in such manner as may be prescribed].

Interpretation.

**109.** Subject to any exemption and to any limitations contained in the first proviso to section 68, the non-agricultural assessment of lands shall be determined with reference to the use of the land for non-agricultural purposes and having regard to urban and non-urban areas in which the lands are situated ; and shall be determined and levied in accordance with the provisions of this Chapter.

Non-  
agricultural  
assessment  
of lands to  
be deter-  
mined on  
basis of their  
non-  
agricultural  
use and  
having  
regard to  
urban and  
non-urban  
areas.

<sup>1</sup> These words were added by Mah. 35 of 1976, s. 3.

Procedure  
for determin-  
ing non-  
agricultural  
assessment  
of lands in  
non-urban  
areas.

**110.** (1) The Collector shall subject to the approval of the Commissioner, by notification in the *Official Gazette*, divide the village in non-urban areas into two Classes—Class I and Class II—on the basis of the market values of lands, due regard being had to the situation of the lands, the non-agricultural purpose for which they are used, and the advantages and disadvantages attaching thereto.

<sup>1</sup>[(1A) Notwithstanding anything contained in sub-section (1), any area of a village or group of villages which has been notified as an “urban area” under clause (42) of section 2 shall, on the date of coming into force of the Maharashtra Land Revenue Code (Amendment) Act, 2003, cease to be such urban area and shall, from the said date, be deemed to be Class I village for the purposes of assessment of non-agricultural assessment of such village under this Code :

Mah.  
XXI of  
2003.

Provided that, nothing contained in sub-section (1A) shall in any way affect the liability of an assessee for payment of any tax which has already been assessed and accrued prior to the said date in respect of such notified urban area :

Provided further that, notwithstanding anything contained in sub-section (1A), any tax already levied and paid before the said date, in respect of such notified urban area, shall not be refunded.]

(2) The Collector shall, subject to the general or special orders of the State Government, assess lands falling in Class I according to the non-agricultural purpose for which they are used at a rate <sup>2</sup>[not exceeding ten *paise*] per square metre per year, and those falling in Class II at a rate <sup>3</sup>[not exceeding five *paise*] per square metre per year, regard being had to the market value of lands used for the non-agricultural purpose, so however, that the assessment so fixed is not less than the agricultural assessment which may be leviable on such land.

Procedure for  
determining  
non-agricul-  
tural assess-  
ment in urban  
areas.

**111.** The Collector shall divide urban areas into blocks on the basis of the market value of lands, due regard being had to the situation of the lands, the non-agricultural purposes for which they are used, and the advantages and disadvantages attaching thereto.

Non-  
agricultural  
assessment  
not to exceed  
three percent.  
of full market  
value.

**112.** The non-agricultural assessment on lands in each block in an urban area shall not exceed three per cent. of the full market value thereof, when used as a building site.

Power of  
Collector to  
fix standard  
rate of non-  
agricultural  
assessment.

**113.** (1) Subject to the provisions of section 112, the <sup>4</sup>[the State Government shall, or if so authorised by the State Government, by notification in the *Official Gazette*, the Collector shall,] fix the rate of non-agricultural assessment per square metre of land in each block in an urban area (to be called “the standard rate of non-agricultural assessment”) at such percentage of the full market value of such land as may be prescribed.

<sup>5</sup>[*Explanation.*—For the purposes of this sub-section, the full market value shall be estimated in the prescribed manner on the basis of the land rates as determined and issued in the form of Annual Statement of rates, by the Chief Controlling Revenue Authority under the Bombay Stamp (Determination of True Market Value of Property) Rules, 1995 framed under the Bombay Stamp Act, 1958, immediately preceding the year in which the standard rate of non-agricultural assessment is to be fixed.]

Bom.  
LX of  
1958.

<sup>1</sup> This sub-section was inserted by Mah. 21 of 2003, s. 3.

<sup>2</sup> These words were substituted for the words “not exceeding two *paise*” by Mah. 24 of 2007, s. 2(a).

<sup>3</sup> These words were substituted for the words “not exceeding one *paise*”, *ibid*, s. 2(b).

<sup>4</sup> These words were substituted for the words “Collector shall, with the approval of the State Government” by Mah. 23 of 1999, s. 3(1)(a).

<sup>5</sup> This *Explanation* was substituted for the existing *Explanation* *ibid*., s. 3(1)(b).

<sup>1</sup>[(2) The standard rate of non-agricultural assessment shall remain in force for a period of <sup>2</sup>[five years] (hereinafter referred to as “the guaranteed period”) and shall then be liable to be revised in accordance with the provisions of this Chapter :

<sup>3</sup>[Provided that, the first such guaranteed period shall commence on the first day of August 1979 and shall expire on the 31st day of the July 1991:]

<sup>4</sup>[Provided further that, the State Government may, extend such guaranteed period for all or any block in any urban area so however that, such extended period shall not be more than five years.]

(2A) where the standard rate of non-agricultural assessment in any block in any urban area has been fixed or revised before the 1st day of August 1979, such standard rate shall be deemed to be due for revision at any time on and after <sup>5</sup>[the 1st day of August 1979; and then such standard rate if so revised shall be deemed to have come into force with effect from the 1st day of August 1979 on which date the first guaranteed period commenced and would remain in force upto the 31st July 1991 and would then be subject to further revision under sub-section (2B), from time to time].

(2B) where the standard rate of non-agricultural assessment is fixed or revised for any guaranteed period, the same shall be revised as soon as possible after the commencement of the next guaranteed period and such revised rate shall be deemed to have come into force with effect from the commencement of such next guaranteed period.]

<sup>6</sup>[(2C) Notwithstanding anything contained in sub-section (1) or the rules made thereunder, the rates of non-agricultural assessment for the guaranteed period of five years commencing from the 1st August 2001 shall not exceed,—

(a) three times the non-agricultural assessment rate of 1991, in a municipal corporation area and two times of such rate in the area of the rest of the State, for the cases which are already assessed for non-agricultural purposes; and

(b) six times the non-agricultural assessment rate of 1991, in a municipal corporation area and four times of such rate in the area of the rest of the State, for the cases to be assessed for non-agricultural purposes.]

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<sup>1</sup> These sub-sections were substituted for the original sub-section (2) by Mah. 8 of 1979, s. 3(b).

<sup>2</sup> These words were substituted for the words “ten years” and are deemed to have been substituted on 1st day of August 1991, by Mah. 17 of 1993, s. 25 (1)(a).

<sup>3</sup> This proviso was substituted and deemed to have been substituted on the 31st day of March 1979, *ibid.*, s. 25 (1)(b).

<sup>4</sup> This proviso was inserted after the existing proviso by Mah. 23 of 1999, s. 3(2).

<sup>5</sup> These words, figures, brackets and letter were substituted for the words “that date”, and shall deemed to have been substituted on the 31st day of March 1979, by Mah. 17 of 1993, s. 25(2).

<sup>6</sup> This sub-section was inserted by Mah. 9 of 2002, s. 2.

(3) The standard rate of non-agricultural assessment fixed or revised as aforesaid shall be published in the *Official Gazette*, and in such other manner as may be prescribed before they are brought into force.

Rate of  
assessment  
of lands  
used for non-  
agricultural  
purposes.

**114.** (1) Subject to the provisions of this section, the rate of assessment in respect of lands in urban areas—

(a) used for purposes of residential building, shall be the standard rate of non-agricultural assessment;

(b) used for the purpose of industry, shall be one and one-half times the standard rate of non-agricultural assessment.

<sup>1</sup>[(c) used for purposes of commerce, shall be thrice the standard rate of non-agricultural assessment in the areas within the limits of all the other municipal corporations, excluding the area of the Mumbai City District in the Mumbai Municipal Corporation area, and twice the standard rate of non-agricultural assessment in the remaining urban areas of the State.]

<sup>2</sup>[*Explanation*.—For the purposes of this clause, “other municipal corporation” and “Mumbai Municipal Corporation” shall have the same meaning as assigned to them in the *Explanation* to section 47A;]

(d) used for any other non-agricultural purpose, shall be fixed by the Collector, at a rate not less than the standard rate of non-agricultural assessment, and not exceeding one and one-half times that standard rate, regard being had to the situation, and special advantages or disadvantages attaching to such lands.

(2) Where any land is used for any non-agricultural purpose for a period of six months or less, the non-agricultural assessment shall be half of that fixed for land used for that non-agricultural purpose.

(3) Notwithstanding anything in this section, the Collector may in respect of any land in a block fix the non-agricultural assessment for that land at a rate not less than seventy-five per cent. of the rate fixed in sub-section (1) but not exceeding by twenty-five per cent. the rate so fixed for the particular use, regard being had to the situation, and special advantages or disadvantages attaching to such land.

Date of  
commence-  
ment of non-  
agricultural  
assessment.

**115.** <sup>3</sup>[Except as otherwise directed by the State Government in the case of co-operative societies and housing boards established under any law for the time being in force in this State, the non-agricultural assessment] shall be levied with effect from the date on which any land is actually used for a non-agricultural purpose.

<sup>4</sup>**116.** [\* \* \* \* \*]

<sup>1</sup> This clause was substituted for clause (c) by Mah. 23 of 1999, s. 4 (a).

<sup>2</sup> This *explanation* was substituted for the existing *Explanation* *ibid.*, s. 4(b).

<sup>3</sup> These words were substituted for the words “The non-agricultural assessment” by Mah. 4 of 1970, s. 4.

<sup>4</sup> Section 116 was deleted by Mah. 9 of 2002, s. 3.

**117.** Lands used for the following purposes shall be exempt from the payment of the non-agricultural assessment, namely :—

Lands exempt from payment of non-agricultural assessment.

(1) lands used by an agriculturist for an occupation subsidiary or ancillary to agriculture, such as the erection of sheds for hand-looms, poultry farming, or gardening or such other occupations as the State Government may specify in rules made in that behalf ;

(2) lands used for purposes connected with the disposal of the dead ;

(3) lands solely occupied and used for public worship and which were exempt from payment of land revenue by custom, grant or otherwise before the commencement of this Code ;

(4) lands used for an educational or a charitable purpose the benefit of which is open to all citizens without distinction of religion, race, caste, place of birth or any of them ;

(5) lands used for any other public purpose which the State Government may by rules made under this Code declare to be exempt, for such period and subject to such conditions as may be specified therein ;

<sup>1</sup>[(5a) agricultural lands in non-urban area used for personal *bona fide* residential purpose under sub-section (2) of section 42;]

(6) such agricultural lands (outside a gaathan, if any) in a non-urban area, converted to non-agricultural use for purposes of residential building as the State Government may, by notification in the *Official Gazette*, specify.

**118.** It shall be lawful for the State Government to direct that any land which is exempt under the provisions of section 117 from payment of non-agricultural assessment shall cease to be so exempt if the land is used for any purpose other than that for which the exemption is provided; and thereupon the land shall be liable to payment of the assessment according to the provisions of this Chapter, and in addition, to such fine as the Collector may, subject to the general orders of the State Government, direct.

Revocation of exemption.

**119.** Nothing in this Chapter shall be deemed to prevent the Collector from determining and registering the proper full non-agricultural assessment on lands wholly exempt from payment of such assessment.

Non-agricultural assessment of lands wholly exempt from payment of land revenue.

**120.** The non-agricultural assessment fixed on lands and in force in any part of the State immediately before the commencement of this Code shall be deemed to have been fixed under the provisions of this Chapter and shall notwithstanding anything contained in this Chapter, be deemed to continue to remain in force during the whole of the period for which the assessment was fixed, and thereafter, until such assessment is revised under the provisions of this Chapter.

Non-agricultural assessment fixed before commencement of Code to continue in force until altered.

<sup>1</sup> Clause (5a) was inserted by Mah. 17 of 2007, s. 4.