

APPENDIX F
Statement regarding levy of non-agricultural assessment in India

Serial No.	Name of the State	Whether non-agricultural assessment levied or not	If so, the rate of such levy	Basis of levy	Remarks
1	2	3	4	5	6
<i>Part A States</i>					
1.	Assam	Yes	Non-agricultural assessment at ten times the assessment in rural areas.	Land revenue assessment in rural areas.	
			Non-agricultural lands assessed at a higher rate in the urban areas.	Annual value in urban areas. The limit is 50 per cent. for trade sites and 25 per cent. for residential sites.	
2.	Bihar	Yes	In rural areas rents of house sites in khas mahal areas are higher. In urban areas the land is marked into three blocks : (a) for commercial purposes, (b) for residential purposes of higher income group, (c) for residential purposes of lower income group.	Rent and Salami (lump sum taken at the time of settlement) fixed by auction in case of (a). In case of (b) and (c), rent and salami fixed by the Government.	
3.	Bombay	Yes	I. For areas other than Bombay City under the Land Revenue Code, 1879. Maximum rate: (a) Rs. 50 per acre or 2 pies per sq. yd.	Bases differ.	Non-agricultural lands settled between : (a) 1827 and 1865 for 50 to 999 years.

Exceptions :

- (1) Revenue-free grants of land for schools, colleges, hospitals, dharamshalas, etc.
- (2) Lands granted free for assessment to Municipalities.
- (3) Lands as signed for public purposes like burial and grazing grounds.
- (4) Customary usage in the case of village sites (goathans).
- (5) Lease for over 100 years upto 999 years.

(b) Rs. 25 per acre or 1, 2, 3 and 4 pie per square yard.

Minimum rate:

Agricultural assessment.

Standard rate:

A rate higher than the maximum of 2 pies per square yard. The rate is calculated on half the 5 per cent. of the full market value of the land.

Trick manufacture:

Non-agricultural assessment is levied at Rs. 40 per acre plus Rs. 24 per every lakh of tricks manufactured.

II. Bombay City (the Bombay City Land Revenue Act, 1876).

The assessment depends upon the existing tenures on most of the lands. In the rest it is 5 per cent. of the market value.

4. Madhya Pradesh . Yes

C.P.

1. At the time of grant, ground-rent at one anna in a rupee of the premium of the grant.

2. At renewal, rent is calculated at one anna in the rupee on half the freehold value.

3. Abadli lands not assessed

Freehold value which is equal to premium or sale price plus sixteen times the assessment of the ground-rent.

Period of lease is 30 years and is renewable. 4/5th of the receipts from nazul revenue excluding premia on sale are paid to local bodies, after meeting the cost of collection.

5. Madras Yes

1. Madras city rent is fixed at a figure slightly below the estimated comparative annual rental value.

2. In mufassal, there are ground rents of (a) the Madras type and (b) at a flat rate of Rs. 6-4-0 and Rs. 12-8-0 per acre.

Freehold value which is equal to price of the occupancy right plus 25 times the assessment.

Period of lease is ten years.

APPENDIX F—*contd.*
Statement regarding levy of non-agricultural assessment in India—contd.

1	2	3	4	5	6
	<i>Madras—contd.</i>				
	3. In rural area there is no change in assessment, in case agricultural land is used for non-agricultural purposes.				
6.	Orissa	(1) Conversion of agricultural to non-agricultural land prohibited.	Rents of house sites in certain khas mahal areas are higher than rates of agricultural land.	Does not arise.	
7.	East Punjab	Not levied till 1952. Provision made by amending the Punjab Land Revenue Act.	Rules are still being framed.		
8.	Uttar Pradesh	Not levied	No distinction between agricultural and non-agricultural uses.	Does not arise.	
9.	West Bengal	Yes	A reduction of 30 per cent. of gross rental as proprietary allowance is given. Rest taken as assessment.	Gross rental value.	
	<i>Part B States</i>				
1.	Hyderabad
2.	Mysore	Levy of conversion fine and special assessment in rural and urban areas.	There is a provision for imposition of such a tax but actually not much is being realised.

		Value of land.
3.	PEPSU	No provision for levy of non-agricultural assessment.
4.	Rajasthan	Yes. Only in Jaipur city.
5.	Saurashtra	Yes.
6.	Travancore-Cochin	The Bombay Land Revenue Code adopted. So long as the basic land tax is there, the State does not see any need to distinguish between agricultural and non-agricultural uses.
<i>Part C States</i>		
1.	Ajmer	Not levied.
2.	Bhopal	Yes. In the case of non-agricultural use, the agricultural assessment is raised by 50 to 100 per cent; and half of the cumulative land revenue payable upto the end of the settlement is recovered as premium.
3.	Delhi	No.
4.	Himachal Pradesh	No. No distinction is made in the levy of assessment on the use of land for agricultural and non-agricultural purposes.
5.	Kutch	Yes. The Bombay Land Revenue Code has been adopted.
6.	Vindhya Pradesh	Yes. If land is used for purposes unconnected with agriculture as brick-making, pottery, factory, building, etc., Rs. 5 per acre is charged as rent in Baghelkhand. In Bundelkhand, there appears to be no one rule. In Tikamgarh, the rent for such use is charged at the rate of Rs. 5 to Rs. 15 per acre per annum. When such area is included in urban area,

The State reply suggests that there should be a very heavy assessment bordering on punishment to checkmate the tendency to put agricultural land to non-agricultural uses in rural areas.

