

**Fourteenth Kerala legislative Assembly**

**Bill No. 281**

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**THE KERALA FINANCE (No. 2) BILL, 2021**

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**THE KERALA FINANCE (No. 2) BILL, 2021**

**A**

**BILL**

*to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2021–2022.*

*Preamble.*—WHEREAS, it is expedient further to amend the Kerala Panchayat Raj Act, 1994 (13 of 1994) and the Kerala Municipality Act, 1994 (20 of 1994) to give effect to certain financial proposals of the Government of Kerala for the Financial Year 2021–2022;

Be it enacted in the Seventy First Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Finance (No.2) Act, 2021.

(2) It shall come into force on the 1<sup>st</sup> day of April, 2021.

2. *Amendment of Act 13 of 1994.*—In the Kerala Panchayat Raj Act, 1994 (13 of 1994),—

(1) in section 2, after clause (xviii) the following clause shall be inserted, namely:—

“ (xviiiia) “green building” means a building which is efficient in use of energy, water and other resources, use of renewable energy, such as solar energy, reduces pollution and waste generation, enables reuse and recycling of waste generated, optimizes energy efficiency, conserves natural resources, provides healthier spaces for occupants, provides good environmental air quality,

considerate to environment and quality of life of the occupants in respect of design, construction and operation, use non-toxic, ethical and sustainable materials and designed enabling adaptation to a changing environment or such other ecofriendly building as may be prescribed.

*Note*:—A building of any occupancy may come under the definition of a green building.

(2) in section 203, in sub-section (7) after clause (vi) the following clause shall be inserted, namely:—

“(via) green buildings as specified in clause (xviii) of section 2 ”

3. *Amendment of Act 20 of 1994*.—In the Kerala Municipality Act, 1994 (20 of 1994),—

(1) in section 2, after clause (18) the following clause shall be inserted, namely:—

“(18a) “green building” means a building which is efficient in use of energy, water and other resources, use of renewable energy, such as solar energy, reduces pollution and waste generation, enables reuse and recycling of waste generated, optimizes energy efficiency, conserves natural resources, provides healthier spaces for occupants, provides good environmental air quality, considerate to environment and quality of life of the occupants in respect of design, construction and operation, use non-toxic, ethical and sustainable materials and designed enabling adaptation to a changing environment or such other eco friendly building as may be prescribed.

*Note*:—A building of any occupancy may come under the definition of green building.

(2) In section 233, in sub-section (7), after clause (vi) the following clause shall be inserted, namely:—

“(via) green buildings as specified in clause (18a) of section 2.”

DECLARATION UNDER THE KERALA PROVISIONAL COLLECTION OF  
REVENUES ACT, 1985

(10 OF 1985)

It is hereby declared that it is expedient in the public interest that all the provisions of this Bill shall have effect on and from the 1<sup>st</sup> day of April, 2021, under the Kerala Provisional Collection of Revenues Act, 1985 (10 of 1985).

STATEMENT OF OBJECTS AND REASONS

The Bill seeks to amend the Kerala Panchayat Raj Act, 1994 (*13 of 1994*) and the Kerala Municipality Act, 1994 (*20 of 1994*) to give effect to the financial proposals of the Government of Kerala for the Financial Year 2021-2022 as announced in paragraph 284 of the Budget Speech 2021-2022.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation, would not involve any additional expenditure from the Consolidated Fund of the State.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause (xviii) of section 2 of the Kerala Panchayat Raj Act, 1994 proposed to be inserted by sub-clause (1) of clause 2 of the Bill, seeks to empower the Government to prescribe such other ecofriendly building.

2. Clause (18a) of section 2 of the Kerala Municipality Act, 1994 proposed to be inserted by sub-clause(1) of clause 3 of the Bill seeks to empower the Government to prescribe such other ecofriendly building.

3. The matters in respect of which rules may be made are matters of procedure and are of routine or administrative in nature. Further, the rules, after they are made, are subject to scrutiny by the Legislative Assembly. The delegation of legislative powers is, thus, of a normal character.

Dr. T. M. THOMAS ISAAC.

EXTRACT FROM THE KERALA PANCHAYAT RAJ ACT, 1994  
(13 OF 1994)

\*\* \*\* \*\* \*\*

2. *Definitions.*— In this Act, unless the context otherwise require,—

\*\* \*\* \*\* \*\*

(xviii) 'Government' means the Government of Kerala;

\*\* \*\* \*\* \*\*

203. Property Tax.—(1) Any Village Panchayat shall in accordance with the provisions of this Act and the rules as may be prescribed, levy property tax on every building (including the land appurtenant thereto) situated within the area of the respective Village Panchayat and not exempted under the provisions of this Act.

\*\* \*\* \*\* \*\*

(7) In the basic property tax of building calculated as per sub-section (6) on the basis of the factors:—

\*\* \*\* \*\* \*\*

(vi) construction of the floor of the building;

\*\* \*\* \*\* \*\*

EXTRACT FROM THE KERALA MUNICIPALITY ACT, 1994  
(20 OF 1994)

\*\* \*\* \*\* \*\*

2. *Definitions.*— In this Act, unless the context otherwise requires,—

\*\* \*\* \*\* \*\*

(18) "Fifth includes sewage, excreta, dung, putrid and putrifying substances and all othr substances causing danger to public health, if not removed;

\*\* \*\* \*\* \*\*

233. *Property Tax.*—(1) Every council of the Municipality shall, in accordance with the Provisions of this Act and the Rules as may be prescribed, levy property tax on every building (including the land appurtenant thereto) situated within the area of the respective Municipality and not exempted as per the provisions of the Act.

\*\* \*\* \*\* \*\*

(7) In the basic property tax of building calculated as per sub-section (6), on the basis of the factors,—

\*\* \*\* \*\* \*\*

(vi) construction of the floor of the building;

\*\* \*\* \*\* \*\*