

GOVERNMENT OF BIHAR
URBAN DEVELOPMENT AND HOUSING DEPARTMENT
NOTIFICATION

Patna Fire Tax Regulations ,2019

NoPatna, Dated 2019 - In exercise of powers vested under section 127 and Section 421 of the Bihar Municipal Act, 2007, (as amended from time to time) the Governor of Bihar is pleased to make the following Regulations 2019 in respect of Fire Tax, which is hereby previously published as required by section 421 of the said Act namely :-

1.Short title, extent and commencement

- (a) These regulations may be called Patna Fire Tax Regulations ,2019
- (b) It shall extend to the municipal limits of Patna Municipal Corporation excluding cantonment areas therein.
- (c) It shall come into force from the date of its publication in the Gazette

2.Background

Fire services comes under the essential services and is considered as one of the most important services for an urban landscape. Providing proper fire services to citizens of any urban landscape requires proper provision of fire related equipment, proper management of fire brigade vehicles, sufficient supply of water to the vehicles, proper roads to reach every corner of the city etc. However, to sufficiently provide these facilities require a huge expenditure. At present, Fire Services do not come under the Patna Municipal Corporation. Under the Bihar Municipal Act 2007 section 127, the Government of Bihar has given the powers to impose a Fire tax to the Urban Local Bodies within their respective area of jurisdiction.

However, at present no such type of tax is being imposed on the citizens. Thus, the Patna Municipal Corporation has made these regulations to impose a fire tax on the non-residential properties and those residential properties whose height is more than 36 ft, which comes under its jurisdictional area. The fire tax collected will be used to provide better fire services to the citizens. A certain portion of the fire tax shall be shared with the Fire services department to maintain all the equipment and vehicles necessary to maintain quality fire services.

3.Definitions - In these regulations, unless the context otherwise required in the context

- (a) “Act” means the Bihar Municipal Act 2007
- (b) “Urban Local Bodies (ULBs)” means Municipal Corporation, Municipality, Nagar Panchayat or any urban local body formed by the Government of Bihar under the Bihar Municipal Act 2007

- (c) “Property Tax” means the tax on property collected by the Urban Local Bodies under the Bihar Municipal Act 2007 and the Bihar Municipal Property Tax (Assessment, Collection and Recovery) rules 2013
- (d) “Appropriate Authority” means Municipal Commissioner or any Special Officer or Committee appointed by the Municipal Commissioner
- (e) “Residential Property” means the properties which are registered under the Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules 2013 and the property is being used for residential purposes only
- (f) “Non-residential property” means the properties which are registered under the Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules 2013 and the property is being used for commercial purposes only
- (g) “Mixed residential property” means the properties which are registered under the Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules 2013 and the property is being used as both commercial and non-commercial use

All other words and expressions used in these rules but not defined, and defined in the Bihar Municipal Act 2007, shall have the same meaning as assigned to them in that Act

4. Incidence of tax

- (a) All owners of non-residential property and residential property (with height more than 36 ft.) shall be liable to pay the fire tax
- (b) The rate of the fire tax will be as follows:

| Sr. No. | Particulars of the building | Cess rate |
|----------------|--|--|
| 1 | Buildings/Godowns/Shops where inflammable material is kept | 5% of Property tax assessed on these buildings per annum |
| 2 | Other shops and factories | 2.5% of Property tax assessed on these buildings per annum |
| 3 | High rise buildings having heights 36’ and above | 1% of house tax assessed on these buildings per annum |

5. Exemption

- (a) The Fire Tax shall not be imposed to residential Properties less than 36 ft but shall be imposed on properties with mixed use and rate of tax shall be as mentioned in sub-rule 3 (b)
- (b) Any other property which is exempted for the property tax under the Bihar Municipal Act 2007 and the Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules 2013 shall also be exempted from the Fire Tax
- (c) The Bihar State Government or Appropriate authority shall have the power to exempt any property as it deems fit to exempt through a notification

6. Sharing with the Fire Services Department, Bihar

- (a) All the taxes collected by the Patna Municipal Corporation, under the name of Fire Tax shall be shared with the Fire Services Department, Patna on monthly basis.
- (b) The sharing of taxes will be done on a 75:25 ratio where 75% revenue collected under the Fire tax shall be kept by the Patna Municipal Corporation and 25% of the Fire tax shall be transferred to the Fire Services Department, Bihar, which shall be used by Fire Department only for Fire Conservation Measures for Citizen of Patna and not to meet any capital expenditure or running expenses of Fire Department

7. Collection of tax

- (a) The Fire Tax shall be a part of the Property Tax collected by the Patna Municipal Corporation along with Property Tax. Thus, it shall be collected the way property tax is being collected
- (b) Patna Municipal Corporation shall make necessary administrative amendments in collection of property tax to accommodate the collection of Fire Tax
- (c) Patna Municipal Corporation shall open an Escrow account for the purpose of collection of Fire tax. The amount of Fire Tax collected shall be deposited in the Escrow account
- (d) The share of the Fire Services Department shall be given from the Escrow account within 7 days of the end of every month

8. Delegation of powers and duties

The Patna Municipal Corporation may decide to delegate any of the power and duties as per the provision of the Bihar Municipal Act 2007 under these regulations.

9. Fines and penalty

- (a) If the Appropriate Authority, in the course of any proceedings under these regulations is satisfied that a person has deliberately delayed the payment of Fire tax (has not made the payment of the Fire tax within the stipulated time as mentioned in the Bihar Municipal Property Tax (Assessment, Collection and Recovery) rules 2013), then the Appropriate Authority shall impose a fine on the person.
- (b) Any property owner, eligible for Fire tax under the Patna Municipal Corporation area, shall pay a fine in case of delay payment of the Fire tax. The rules and rates of the fine shall be equivalent to the fine imposed for the late payment of the Property Tax under Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules 2013
- (c) The interest rate charged for delay in payment of the fire tax shall be same as the rate of interest fixed by the Urban Local Body for the Property Tax under Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules 2013.

10. Appeal

An appeal against the order of the Appropriate Authority will lie before the Municipal Commissioner, Patna within 30 days of the order.