

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.4819 of 2002 (O&M)

Date of Decision: 01.08.2016

M/s Bihari Lal and sons

----Petitioner

Versus

The State of Punjab and another

----Respondents

**Coram: Hon'ble Mr. Justice Rajesh Bindal
Hon'ble Mr. Justice Harinder Singh Sidhu**

Present: Mr. T.S. Sidhu, Advocate for
Mr. Vikas Singh, Advocate for the petitioner.

Mr. Piyush Bansal, DAG, Punjab.

Mr. Sanjeev Soni, Advocate for respondent No.2.

HARINDER SINGH SIDHU, J.

This writ petition has been filed for quashing the house tax notice dated 12.02.1999 (Annexure P-3), the order dated 24.03.1999 (Annexure P-3A) assessing the total rent and re-determining the house tax payable, the order dated 16.08.2000 (Annexure P-5) dismissing the appeal and order dated 09.01.2002 (Annexure P-6) for recovery the house tax assessed.

The petitioner is the owner of property No.3342-44/III, situated at Gur Mandi, Patiala, which consists of two shops measuring 10 x 20 feet and 13 x 20 feet and one office measuring 4x4 feet on the ground floor. There are two rooms on the first floor.

On this property the petitioner had been regularly paying house tax. For the year 1998-99, initially the house tax of the property was assessed at ₹1,361/-. However, in the year 1999, the petitioner received a notice whereby the house tax for year 1998-99 was increased to ₹14,904/-. As per this notice, the rent of the shops was assessed at ₹5,200/- per month and that of the office was assessed at ₹2,000/- per month. The rooms on the first floor were assessed at ₹2,000/- per

month. Calculated on this basis, the annual rental value was assessed at ₹1,10,400

and house tax payable was at ₹14,904/-. This assessment was made in terms of the provisions of Section 3(1)(b) and Section 3(8)(aa) of the Punjab Municipal Act, 1911 as amended by the Punjab Amending Act No.11 of 1994. By this amendment the previous definition of “annual value” and “market value” respectively of the Punjab Municipal Act, 1911 were substituted by the new definition.

The petitioner filed the writ petition impugning the aforesaid orders on the ground that the amended provisions had been struck down by this Court as being unconstitutional in ***Municipal Committee, Patiala Vs. Model Town Residents Asson. & Ors (2001) 4 ICC 340 (P&H) (DB)***.

Learned counsel for the respondents stated that against the aforesaid judgment, the State of Punjab had preferred SLP. Hon'ble the Supreme Court had initially granted ad-interim stay of the judgment of the High Court. The case has since been disposed of vide judgment in ***Municipal Committee, Patiala Vs. Model Town Residents Asson. & others 2007 (3) R.C.R. (Civil) 754***. The judgment of the High Court has been set aside and the amended provisions have been held to be valid. This position has not been disputed by the Ld. Counsel for the petitioner.

In view of the fact that the validity of Section 3(1)(b) and Section 3(8)(aa) of the Punjab Municipal Act, 1911 as amended has been upheld, there is no merit in the petition and the same is dismissed.

(RAJESH BINDAL)
JUDGE

August 01, 2016
Atul

(HARINDER SINGH SIDHU)
JUDGE

Whether speaking/ reasoned:

Yes/No

Whether Reportable:

Yes/No