

PART-II  
**HARYANA GOVERNMENT**  
LEGISLATIVE DEPARTMENT

**Notification**

The 1<sup>st</sup> March, 2007

**No. Leg. 2/2007.**—The following Ordinance of the Governor of Haryana promulgated under clause (1) of article 213 of the Constitution of India, on the 28<sup>th</sup> February, 2007, is hereby published for general information:--

**HARYANA ORDINANCE NO. 1 OF 2007**

**THE HARYANA LOCAL AREA DEVELOPMENT TAX  
(AMENDMENT) ORDINANCE, 2007**

AN

ORDINANCE

further to amend the Haryana Local Area Development Tax Act, 2000.

Promulgated by the Governor of Haryana in the Fifty-eighth Year of the Republic of India.

Whereas the Legislature of the State of Haryana is not in session and the Governor is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, therefore, in exercise of the powers conferred by clause (1) of article 213 of the Constitution of India, the Governor of Haryana hereby promulgates the following Ordinance:-

Short title

1. This Ordinance may be called the Haryana Local Area Development Tax (Amendment) Ordinance, 2007.

Amendment of  
Section 2 of  
Haryana Act  
13 of 2000

2. After clause (4) of section 2 of the Haryana Local Area Development Tax Act, 2000 (hereinafter called the principal Act), the following clause shall be inserted, namely:-

‘(4A) “Board” means Haryana Local Area Development Board constituted under section 22A of this Ordinance;’.

Substitution of  
section 22 of  
Haryana Act  
13 of 2000.

3. For section 22 of the principal act, the following section shall be substituted and shall be deemed to have been substituted with effect from 5<sup>th</sup> May, 2000, namely:-

“22 Utilisation of proceeds of tax.- The tax collected under this Act shall be utilised by the State Government through the local bodies in such manner that a substantial portion of the tax collected, not less than sixty percent is utilized for development facilitating free flow of trade and commerce of the payers of the tax individually or as a class.

Explanation.- In this section “development facilitating free flow of trade and commerce” means developing and maintaining infrastructure facilities facilitating the free flow of trade and commerce such as roads, bridges, culverts, sewerage, drainage, sanitation, waste management, electricity, drinking water and other infrastructural facilities”.

Insertion of  
section 22A in  
Haryana Act  
13 of 2000.

4. After section 22 of the principal Act, the following section shall be inserted, namely:-

“22A. Constitution of Board and its functions.-(1) There shall be a Board consisting of a Chairman and following ex officio members:-

- |     |   |   |                          |
|-----|---|---|--------------------------|
| (a) | Chief Minister, Haryana   | : | Chairman                 |
| (b) | Chief Secretary, Haryana  | : | ex officio member        |
| (c) | Finance Secretary, Haryana  | : | ex officio member        |
| (d) | Financial commissioner and Secretary to Government, Haryana, Excise and Taxation Department.        | : | ex officio member        |
| (e) | Financial Commissioner and Secretary to Government, Haryana, Development and Panchayats Department. | : | ex officio member        |
| (f) | Commissioner, Urban Local Bodies, Haryana   | : | ex officio member        |
| (g) | Excise and Taxation Commissioner, Haryana.  | : | Member-Secretary         |
| (h) | Additional Excise and Taxation Commissioner/ Joint Excise and Taxation Commissioner, Haryana.       | : | Chief Executive Officer. |

(2) The Headquarter of the Board shall be at Chandigarh.

(3) The Board shall perform the following functions:-

- (i) It shall ensure balanced development of the local areas falling within the domain of the urban as well as rural local bodies.
- (ii) It shall identify the areas which require immediate development/ maintenance of infrastructure facilities out of proceeds of tax.
- (iii) It shall accordingly recommend allotment of proceeds of tax for developing and maintaining infrastructure facilities like roads, bridges, culverts, sewerage, drainage, sanitation, waste management, electricity, drinking water and other infrastructural facilities.
- (iv) It shall recommend changes in the rate of tax in order to keep the levy as per the guidelines issued in this behalf from time to time.
- (v) It shall ensure that the proceeds of tax collected under this Act are not much more than the amount actually required for development of local areas”.

Dated Chandigarh.  
The 28<sup>th</sup> February,2007

A.R.KIDWAI,  
Governor of Haryana.

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M.S.SULLAR,  
Secretary to Government, Haryana,  
Legislative Department.