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THE MUNICIPAL TAXATION ACT, 1881

ACT No. XI OF 1881.

[25th February, 1881]

**AN
Act**

to give power to prohibit the levy of municipal taxes in certain cases.

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| <p>WHEREAS it is expedient to empower the ¹[Government] to prohibit, in certain cases, the levy of municipal taxes payable by persons in the military ²[navel]³[or air-force] service or by the ⁴[Provincial Government], It is hereby enacted as follows:—</p> | <p>Preamble.</p> |
| <p>1. This Act, may be called the Municipal Taxation Act, 1881.</p> | <p>Short title.</p> |
| <p>it extends to ⁵[the whole of Pakistan].</p> | <p>Local extent.</p> |
| <p>⁶ [* * *]</p> | |
| <p>2. In this Act "Municipal Committee" ⁷includes a Municipal Corporation or a body of Municipal Commissioners constituted by or under the provisions of any enactment for the time being in force.</p> | <p>"Municipal Committee" defined.</p> |
| <p>3. Notwithstanding anything contained in any enactment for the time being in force, the ⁸[Federal Government] may, by an order in writing, prohibit the levy by a Municipal Committee of any specified tax:—</p> | <p>Power to prohibit levy of tax.</p> |

1. Substituted vide A.O, 1949.

2. Inserted vide Act No.35 of 1934.

3. Inserted vide Act No.10 of 1927.

4. Substituted vide A.O, 1949.

5. Substituted vide Ord. No. XII of 1960.

6. Repealed vide Act No.X of 1914.

7. For the purposes of this Act, every Cantonment Board as defined in the Cantonments Act,1924(2 of 1924), is deemed to be a Municipal Committee, see s. 97 of the latter Act.

8. Substituted vide the Khyber Pakhtunkhwa A.L.O, 1975.

(a) payable by any person subject to the ¹[Army Act, the Indian Army Act, 1911 ²[or the Pakistan Army Act, 1952), the Naval Discipline Act or that Act as modified by the Pakistan Navy (Discipline) Act, 1934, the Air Force Act or the Indian Air Force Act, 1932 ³[or the Pakistan Air Force Act, 1953] who is compelled by the exigencies of military, naval or air-force] duty to reside within the limits of a municipality;

⁴[* * *]

The ⁵[Federal Government] may, by like order, rescind any such prohibition.

⁶[3A. Notwithstanding anything in any enactment for the time being in force, the Provincial Government may by an order in writing prohibit the levy by a Municipal Committee of any specified tax payable by the Provincial Government and may by a like order rescind any such prohibition.]

Power of Provincial Government to prohibit levy of taxes on it.

4. So long as any order made under section 3, prohibiting the levy of a tax on any person mentioned in ⁷* * * that section remains in force, the ⁸[Federal Government] Government] shall be liable to pay to the Municipal Committee mentioned in the order the amount which otherwise would have been payable to such Committee by such person:

Central Government to pay taxes referred to in section 3.

Provided that the ⁹[Federal Government] shall not be liable to pay any sum in respect of any horse which such person is bound, by the regulations of the service to which he belongs, to keep.

5. So long as any order made under ¹⁰[section 3A] prohibiting the levy of any tax payable by the ¹¹[Provincial Government], remains in force the said ¹²[Provincial Government] shall be liable to pay to the Municipal Committee, in lieu of such tax, such sums (if any) as an officer from time to time appointed in this behalf by the

Payments to be made in lieu of taxes referred to in section 3A.

1. The original words *viz.* 'Army Discipline and Regulation Act, 1879, or the Indian Articles of War, who is compelled by the exigencies of military" have been successively amended by the Repealing and Amending Act, 1927 (10 of 1927), the Amending Act, 1934 (35 of 1934). and the Indian Air Force Act, 1932 (14 of 1932), to read as above.

2. Inserted vide Ord.No.XII of 1960.

3. Inserted vide Ord No.XII of 1960.

4. Repealed vide A.O, 1937.

5. Substituted vide Khyber Pakhtukhwa. A.L.O., 1975.

6. Inserted vide A.O, 1937.

7. Repealed *ibid*

8. Substituted vide Khyber Pakhtukhwa A.L.O 1975.

9. Substituted vide Khyber Pakhtukhwa A.L.O 1975.

10. Substituted vide A.O, 1937.

11. Substituted vide Khyber Pakhtukhwa A.L.O, 1975.

12. Substituted vide Khyber Pakhtukhwa A.L.O, 1975.

¹[Provincial Government] may, having regard to all the circumstances of the case, from time to time determine to be fair and reasonable.

6. If any question arises whether any duty is military ²[naval]³[or air-force] duty within the meaning of this Act, the decision of the ⁴[Federal Government] thereon shall be conclusive.

Decision of questions arising under this Act.

If any question arises whether any person is compelled as aforesaid to reside within the limits of a municipality or is bound as aforesaid to keep any horse, the decision thereon of such authority as the ⁵[Federal Government] may, from time to time, appoint in this behalf shall be conclusive.

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1. Substituted vide A.O, 1937.
 2. Inserted vide Act No.35 of 1934.
 3. Inserted vide Act No.X of 1927.
 4. Substituted vide Khyber Pakhtunkhwa A. L. O. 1974.
 5. Substituted vide Khyber Pakhtunkhwa A.L.O 1975.