

**L. A. BILL No. XCVII OF 2025.**

*A BILL*

*further to amend the Maharashtra Land Revenue Code, 1966.*

**(As passed by the Legislative Assembly on the 10<sup>th</sup> December, 2025.)**

Mah. 5 WHEREAS it is expedient further to amend the Maharashtra Land Revenue  
XLI of Code, 1966, for the purposes hereinafter appearing ; it is hereby enacted in the  
1966. Seventy-sixth Year of the Republic of India as follows :—

1. This Act may be called the Maharashtra Land Revenue Code (Second Short title.  
Amendment) Act, 2025.

Mah. 10 2. In section 2 of the Maharashtra Land Revenue Code, 1966 (hereinafter Amendment  
XLI of referred to as “the said Code”),— of section 2 of  
1966. Mah. XLI of  
1966.

(1) clause (7-A) shall be deleted ;

(2) clause (21) shall be deleted.

Amendment  
of section 41  
of Mah. XLI  
of 1966.

**3.** In section 41 of the said Code, sub-sections (2) to (6) shall be deleted.

Substitution  
of section 42  
of Mah. XLI  
of 1966.

**4.** For section 42 of the said Code, the following section shall be substituted,  
namely :—

No  
permission  
of Collector  
is required  
for non-  
agricultural  
use of land.

**“42.** (1) No permission of the Collector for change in use of land from agricultural to non-agricultural is required, if such use is permissible under the draft or final Development Plan or Regional Plan prepared and published as per the provisions of the Maharashtra Regional and Town Planning Act, 1966 or Development Control Regulations or any other rules or regulations or orders or guidelines issued under that Act and, the concerned Planning Authority may give development permission or may give approval to the building plan on such land. 5  
Mah. XXXVII  
of 1966. 10

(2) The occupancy status of land other than the Class-I occupancy land shall not be altered merely because the development permission is given or building plan is approved by the Planning Authority on such land.

(3) The Planning Authority shall, before giving development permission or approving building plan, recover one time premium at the rate mentioned in section 47 for non-agricultural use of land. 15

(4) Where the Planning Authority grants development permission or approves building plan, necessary changes shall be effected in the revenue records pursuant to such permission or approval.”. 20

Deletion of  
sections 42A,  
42B, 42C and  
42D of  
Mah. XLI of  
1966.

**5.** Sections 42A, 42B, 42C and 42D of the said Code shall be deleted.

Deletion of  
sections 44,  
44A, 45 and  
46 of Mah.  
XLI of 1966.

**6.** Sections 44, 44A, 45 and 46 of the said Code shall be deleted.

Substitution  
of section 47  
of Mah. XLI  
of 1966.

**7.** For section 47 of the said Code, the following section shall be substituted,  
namely:—

Premium  
for non-  
agricultural  
use of land.

**“47.** (1) There shall be levied and collected one-time premium for non-agricultural use of land. 25

(2) The premium under sub-section (1) shall be levied at the rate of,—

(i) for an area up to 1000 square meters, 0.1 per cent. of the current market value of the land determined as per current Annual Statement of Rates ;

(ii) for an area above 1000 square meters, but upto 4000 square meters, 0.25 per cent. of the current market value of the land determined as per current Annual Statement of Rates; and 30

(iii) for an area above 4000 square meters, 0.5 per cent. of the current market value of the land determined as per current Annual Statement of Rates :

5 Provided that, for the land which has been converted to non-agricultural use on or before the 31st December 2001, instead of the annual non-agricultural assessment, a one-time premium shall be levied and recovered, at the rate mentioned in sub-section (2) of the current market value of the land determined as per the Annual Statement of Rates of the year 2001 :

10 Provided further that, for the land which has been converted to non-agricultural use on or after the 1st January 2002 and before the date of commencement of the Maharashtra Land Revenue Code (Second Amendment) Act, 2025, instead of the annual non-agricultural assessment, a one-time premium shall be levied and recovered, at the rate mentioned in sub-section (2) of the market value of such land determined as per the Annual Statement of Rates of the year in which land was converted to non-agricultural use.

Mah. of 2025.

20 *Explanation.*— For the purposes of this sub-section, the term “Annual Statement of Rates” shall mean the Annual Statement of Rates published under the provisions of the Maharashtra Stamp (Determination of True Market Value of Property) Rules, 1995 or any other Rules for the time being in force in this regard.

25 (3) The State Government may, by notification published in the *Official Gazette*, grant exemption from payment of the premium levied under this section, if the State Government is of the opinion that it is necessary for projects of public purpose or in the public interest.”.

8. Section 47A of the said Code shall be deleted.

Deletion of section 47A of Mah. XLI of 1966.

9. In section 67 of the said Code,—

(1) sub-section (2) shall be deleted ;

30 (2) in sub-section (4), for the words, brackets and figures “sub-sections (2) and (3),” the word, brackets and figure “sub-section (3)” shall be substituted.

Amendment of section 67 of Mah. XLI of 1966.

10. Chapter VII and sections 108 to 120 of the said Code shall be deleted.

Deletion of Chapter VII and sections 108 to 120 of Mah. XLI of 1966.

11. In section 125 of the said Code, the proviso shall be deleted.

Amendment of section 125 of Mah. XLI of 1966.

35 12. In section 328 of the said Code, in sub-section (2),—

(i) in clause (xxiv), for the words, brackets and figures “sub-sections (2) and (3)” the word, brackets and figure “sub-section (3)” shall be substituted;

(ii) clauses (xiv-a), (xiv-aa), (xvi), (xvi-a), (xvii), (xviii), (xxvii-a), (xxviii) and (xxix) shall be deleted.

Amendment of section 328 of Mah. XLI of 1966.



## STATEMENT OF OBJECTS AND REASONS

Section 42 of the Maharashtra Land Revenue Code, 1966 (Mah. XLI of 1966) provides for obtaining permission of the Collector before any agriculture land can be used for non-agricultural purposes. Section 47A of the said Code provides for levy of conversion tax for change of user of land. Subsequently, sections 42A, 42B, 42C and 42D were inserted in the said Code to provide that use of any land, comprised in the area for which draft or final Development Plan and Regional Plan is published under the Maharashtra Regional and Town Planning Act, 1966 (Mah. XXXVII of 1966), shall be deemed to have been converted to the non-agricultural use as shown in such Plans and no separate permission shall be required under the said Code, provided conversion tax, non-agricultural assessment, *nazarana* or premium or other Government dues are paid.

2. Despite of provisions of deemed conversion for non-agricultural use in above referred areas, the occupants have to make applications to the Collector for assessment of conversion tax, non-agricultural assessment, *nazarana* or premium or other Government dues in respect of Class-I occupant as well as Occupant Class-II lands. After payment of the said taxes and Government dues, the Collector is required to grant *sanad* to the applicant and thereafter necessary entry of conversion to non-agricultural use of such land is made in the Record of Rights of land.

3. The occupants are facing various difficulties in getting conversion of land to non-agricultural purposes due to procedural requirements of making an application, examination by the Collector, calculation of taxes and dues, issuance of *sanad*, etc. The Government has been receiving various representations from Members of State Legislature and local authorities as well as citizens for the cancellation of non-agricultural assessment and conversion tax on the ground of dual taxation as various other taxes for development of land are chargeable under the Municipal laws. The Government has also received various requests for waiver of non-agricultural assessment in case of use of land for industrial and tourism purposes such as solar power project, tourism projects, warehouses for agricultural produces, etc.

4. Due to demands from public at large, the Government has not revised rates of non-agricultural assessment since many years. The Government has considered various representations received in this behalf, and also constituted a Committee for studying recovery of non-agricultural assessment. After carefully considering and examining the issues of non-agricultural permissions and hardships faced by people, the Government considers it expedient to omit the provisions of requirement of non-agricultural permissions and issuing *sanad* by the Collector, non-agricultural assessment and conversion tax therefor. Instead, it is proposed to introduce a new one-time premium for conversion of land to non-agricultural use. It is also proposed to provide that the Planning

Authority shall, before giving development permission or approving building plans, recover one-time premium at the rate mentioned in proposed new section 47 and after such permission or approval, necessary changes shall be effected in the revenue records. For the abovementioned purposes, it is proposed to amend the relevant sections of the said Code, suitably.

5. The Bill seeks to achieve the above objectives.

Nagpur,

CHANDRASHEKHAR BAWANKULE,

Dated the 3<sup>rd</sup> December, 2025.

Minister for Revenue.

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

The Bill involves the following proposal for delegation of legislative power, namely :-

*Clause 7(3).*- Under this clause, power is taken to the State Government, to grant exemption to projects of public purpose or in the public interest from payment of the premium levied, by notification in the *Official Gazette*.

**2.** The above-mentioned proposal for delegation of legislative power is of normal character.





## FINANCIAL MEMORANDUM

Clause 7 of the Bill provides for amendment of section 47 of the Maharashtra Land Revenue Code, 1966 (Mah. XLI of 1966), to levy and collect, a one-time tax for the conversion of use of land to the non-agricultural use. There is no provision in the Bill which would involve the recurring or non-recurring expenditure from the Consolidated Fund of the State on its enactment as an Act of the State Legislature.



GOVERNOR'S RECOMMENDATION UNDER ARTICLE 207 OF THE  
CONSTITUTION OF INDIA

*(Copy of Government of Maharashtra Order, Law and Judiciary Department)*

In exercise of the power conferred upon him by clause (1) of Article 207 of the Constitution of India, the Governor of The Maharashtra is pleased to recommend to the Maharashtra Legislative Assembly, the introduction of the Maharashtra Land Revenue Code (Second Amendment) Bill, 2025.



ANNEXURE TO THE L.A. BILL No. XCVII OF 2025  
THE MAHARASHTRA LAND REVENUE CODE  
(SECOND AMENDMENT) BILL, 2025.

*(Extracts from the Maharashtra Land Revenue Code, 1966)*

**(Mah . XLI of 1966)**

**1.** \* \* \* \*

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

Definitions.

(1) to (7) \* \* \* \*

(7-A) “Data Bank” is a bank repository of information maintained at the concerned Collector office, conclusively certified by the District Head of the concerned Department and updated by him from time to time, which shall be used by the Collector for ascertaining the objection, if any, of the concerned Department, while granting permission for use of land for non-agricultural purposes under the Code ;

(8) to (20) \* \* \* \*

(21) “non-agricultural assessment” means the assessment fixed on any land under the provisions of the Code or rules thereunder with reference to the use of the land for a nonagricultural purpose ;

(22) to (44) \* \* \* \*

**3. to 40.** \* \* \* \*

**41.** (1) Subject to the provisions of this section, holder of any land assessed or held for the purpose of agriculture is entitled by himself, his servants, tenants, agents or other legal representatives to erect farm building, construct wells or tanks or make any other improvements thereon for the better cultivation of the land, or its more convenient use for the purpose aforesaid.

Uses to which holder of land for purposes of agriculture may put his land.

(2) From the date of commencement of the Maharashtra Land Revenue Code (Amendment) Act, 1986 (hereinafter in this section referred to as “such commencement date”) before erection any farm building or carrying out any work or renewal of, re-construction of, alterations in, or additions to, any such farm building, or any farm building erected before such commencement date, on any land which is situated,—

(a) Within the limits of—

(i) the Municipal Corporation of Greater Bombay,

(ii) the Corporation of the City of Pune,

(iii) the Corporation of the City of Nagpur,

and the area within eight kilometres from the periphery of the limits of each of these corporations;

(b) within the limits of any other Municipal Corporation constituted under any law for the time being in force and the area within five kilometres from the periphery of the limits of each such Municipal Corporation ;

(c) within the limits of the ‘A’ Class Municipal Councils and the area within three kilometres from the periphery of the limits of each such Municipal Council ;

(d) within the limits of the ‘B’ and ‘C’ Class Municipal Councils ; or

(e) within the area covered by the Regional Plan, Town Planning Scheme, or proposals for the development of land (within the notified area) or (an area designated as) the site of the new town, whether each of these being in draft or final, prepared, sanctioned or approved under the Maharashtra Regional and Town Planning Act, 1966;

the holder or any other person referred to in sub-section (1), as the case may be, shall, notwithstanding anything contained in sub-clauses (d) and (e) of clause (14) of section 2, make an application, in the prescribed form, to the Collector for permission to erect such farm building or to carry out any such work of renewal, re-construction, alteration or additions as aforesaid.

(3) The Collector may, subject to the provisions of sub-section (4) and such terms and conditions as may be prescribed, grant such permission for erection of one or more farm buildings having a plinth area not exceeding the limits specified below:—

(i) if the area of the agricultural holding on which one or more farm buildings are proposed to be erected exceeds 0.4 hectares but does not exceed 0.6 hectares, the plinth area of all such buildings shall not exceed 150 square meters ; and

(ii) if the area of the agricultural holding on which one or more farms buildings are proposed to be erected is more than 0.6 hectares, the plinth area of all such buildings shall not exceed onefortieth area of that agricultural holding or 400 square meters, whichever is less :

Provided that, if one or more farm buildings proposed to be erected are to be used, either fully or in part, for the residence of members of the family, servants or tenants or tenants of the holder, the plinth area of such building or buildings proposed to be used for residential purpose shall not exceed 150 square meters, irrespective of the fact that the area of the agricultural holding on which such building or buildings are proposed to be erected exceeds 0.6 hectares.

(4) The Collector shall not grant such permission—

(a) (i) if the area of the agricultural holding on which such building is proposed to be erected is less than 0.4 hectares ;

(ii) if the height of such building from its plinth level exceeds 5 meters and the building

consists of more than one floor, that is to say, more than ground floor ;

(iii) for erection of more than one farm building for each of the purposes referred to in clause (9) of section 2 ;

(b) if any such work of erection involves renewal or re-construction or alterations or additions to an existing farm building beyond the maximum limit of the plinth area specified in sub-section (3) or beyond the limit of the height of 5 meters from the plinth level and a ground floor.

*Explanation.*— For the purposes of sub-sections (3) and (4), if only one farm building is proposed to be erected on an agricultural holding, “plinth area” means the plinth area of that building, and if more than one farm buildings are proposed to be erected on an agricultural holdings, “plinth area” means the aggregate of the plinth area of all such buildings.

(5) Where an agricultural holding is situated within the limits of any Municipal Corporation or Municipal Council constituted under any law for the

time being in force, the provisions of such law or of any rules or bye-laws made thereunder, or of the Development Control Rules made under the

provisions of the Maharashtra Regional and Town Planning Act, 1966, or any rules made by the State or Central Government in respect of regulating the building and control lines for different portions of National or State highways or major or other district roads or village roads shall, save as otherwise provided in this section, apply or continue to apply to any farm building or buildings to be erected thereon or to any work of renewal or reconstructions or alterations or additions to be carried out to the existing farm building or buildings thereon, as they apply to the building permissions granted or regulated by or under such law or Development Control Rules or rules in respect of regulating the building and control lines of highways or roads.

(6) Any land used for the erection of a farm building or for carrying out any work of renewal, re-construction, alterations or additions to a farm building as aforesaid in contravention of the provisions of this section shall be deemed to have been used for non-agricultural purpose and the holder or, as the case may be, any person referred to in sub-section (1) making such use of land shall be liable to the penalties or damages specified in section 43 or 45 or 46, as the case may be.

**42.** (1) No land used for agricultural shall be used for any non-agricultural purposes ; and no land assessed for one non-agricultural purpose shall be used for any other non-agricultural purpose or for the same non-agricultural purpose but in relaxation of any of the conditions imposed at the time of the grant of permission for non-agricultural purpose, except with permission of the Collector.

Permission  
for non-  
agricultural  
use.

(2) Notwithstanding anything contained in sub-section (1), no such permission shall be necessary for conversion of use of any agricultural land for the personal bona fide residential purpose in non-urban area, or for the micro enterprise as defined in clause (h) of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) and small commercial use like shop, flour mill, grocery shop or chilli grinding machine, operated in such premises in use for the personal bona fide residential purpose in non-urban area and occupying the area not exceeding forty square meters or for any micro, small and medium food processing industrial units excluding,—

(a) the area mentioned in clause (2) of the Explanation to section 47A, as a peripheral area of the Municipal Corporation or the Municipal Council ;

(b) the area falling within the control line of the National Highways, State Highways, District Roads or Village Roads ;

(c) the areas notified as the Eco-sensitive Zone by the Government of India.

Provided that, the person who uses such premises for the micro enterprise and such small commercial purpose, and occupying the area not exceeding forty square meters for such purpose or for any micro, small and medium food processing industrial units, shall give intimation of the date on which such change of use of land has commenced and furnish other information in such form as may be prescribed, within thirty days from such date, to the Tahsildar through the village office and shall also endorse a copy thereof to the Collector.

Provided further that, the use of land for any micro, small and medium food processing industrial units shall be deemed to be the use of land for agricultural purpose.

No permission  
required for  
change of use  
of land situate  
in area  
covered by  
Development  
plan.

**42A.** (1) Notwithstanding anything contained in section 42,—

(a) no prior permission of the Collector shall be necessary for conversion of use of any land held as an Occupants—Class I for any purpose as defined in the sanctioned Development Plan or draft Development Plan prepared and published as per the provisions of the Maharashtra Regional and Town Planning Act, 1966; however, the Planning Authority shall ascertain from the concerned revenue authority the Class of land, its occupancy and encumbrances, if any, thereupon, and after ascertaining the same, it shall grant the development permission as per the provisions of the Maharashtra Regional and Town Planning Act, 1966;

(b) for conversion of use of any land held as an Occupants— Class II or land leased by the Government, for any purpose as defined in the sanctioned Development Plan or draft Development Plan prepared and published as per the provisions of the Maharashtra Regional and Town Planning Act, 1966, the occupant shall apply to the Planning Authority for permission to change the use of land, and the Planning Authority shall direct the said occupant to obtain no objection certificate of the Collector for such change ; the Collector shall examine the documents by which the land is granted and the relevant laws by which the concerned land is governed and, if permissible to grant no objection certificate, required the applicant to pay the Nazarana and the Government dues for that purpose ; and on payment of the same, the Collector shall issue no objection certificate for change of use of such land ; on receipt of such certificate, the concerned Planning Authority shall issue development permission as per the provisions of the Maharashtra Regional and Town Planning Act, 1966.

(2) The person to whom permission is granted under clause (b) of sub-section (1) or the person who converts the use of land in view of clause (a) of sub-section (1) shall inform in writing to the village officer and the Tahsildar within thirty days from the date on which the change of use of land commenced.

(3) If the person fails to inform the village officer and the Tahsildar within the period specified in sub-section (2), he shall be liable to pay in addition to the non-agricultural assessment, a fine of rupees twenty-five thousand or forty times of the non-agricultural assessment, whichever is higher.

(4) (a) On receipt of the information in writing from the person, who obtained the development permission, and on payment of conversion tax at the rate mentioned in section 47A and the non-agricultural assessment therefor, it shall be incumbent upon the concerned revenue authority to grant him sanad in the form prescribed under the rules within a period of thirty days from payment thereof. In case of delay in issuing such sanad, the concerned authority shall record his reasons for the same.

Where there is any clerical or arithmetical error in the sanad arising from any accidental slip or omission, it shall be lawful for the concerned authority either of his own motion or on the application of a person affected by the error, to direct at any time the correction of any such error.

(b) While granting no objection certificate for the use of land under clause (b) of sub-section (1) or permission under the Code, the Collector shall grant the no objection certificate or permission relying upon the Date Bank prepared and certified by the concerned authorities at the District level.

(c) It shall be the responsibility of the District Head of the concerned Department to update the Data Bank, from time to time.



**42B.** (1) Notwithstanding anything contained in sections 42, 42A, 44 and 44A, upon publication of the final Development Plan in any area as per the provisions of the Maharashtra Regional and Town Planning Act, 1966, the use of any land comprised in such area shall, if conversion tax, non-agricultural assessment and, wherever applicable, nazarana or premium and other Government dues as provided for in sub-section (2) are paid, be deemed to have been converted to the use shown by way of allocation, reservation or designation in such Development Plan and no separate permission under section 42 or section 44 shall be required for the use of such land for the use permissible under such Development Plan :

Provision for conversion of land use for lands included in final Development plan area.

Provided that, where a final Development plan is already published on or before the date of commencement of the Maharashtra Land Revenue Code (Amended) Act, 2017 (hereinafter in this section referred to as “the commencement date”), any land comprised in the area under such Development Plan shall, if the conversion tax, non-agricultural assessment and wherever applicable, nazarana or premium and other Government dues as provided for in sub-section (2) are paid, be deemed to have been converted to the use shown by way of allocation, reservation or designation in respect of such land in such final Development Plan.

(2) Upon publication of the final Development Plan in any area and where there is a final Development Plan already published, after the commencement date, the Collector shall, on an application made in this regard or suo motu, determine or cause to be determined the conversion tax at the rate mentioned in section 47A and the non-agricultural assessment for such land on the basis of the use shown in the Development Plan and give a notice thereof to the concerned occupant for making payment thereof :

Provided that, where such land is held as Occupant Class-II, the Collector shall also examine the documents by which such land is granted as such and the relevant laws, rules and the Government orders by which such land is governed and if the conversion to the use shown in the final Development Plan is permissible thereunder, the Collector shall, wherever necessary, after obtaining prior approval of the authority competent to allow such conversion, determine nazarana or premium and other Government dues payable for such conversion, as per special or general orders of the Government, alongwith the amount of conversion tax and non-agricultural assessment, as aforesaid, and communicate the same to the occupant for making payment. If the payment as required under this subsection is done by the occupant, the Collector shall grant him sanad in the form prescribed under the rules within a period of sixty days from payment thereof. On issuance of sanad, necessary entry in the record of rights shall be made showing such land as having been converted to non-agricultural use, with effect from the date of payment as aforesaid :

Provided further that, where the action under this sub-section is undertaken on an application made in this regard, the notice, after determination of conversion tax and non-agricultural assessment and, wherever applicable, the amount payable to the Government towards nazarana or premium and other Government dues as per the prevailing orders of the Government, shall be issued to the concerned occupant,—

(a) in respect of land held as Occupant Class-I, within 30 days from the date of application;

(b) in respect of land held as Occupant Class-II,—

(i) within 30 days from the date of application, where the Collector is competent to grant permission for change of use of such land at his level ;

(ii) within 30 days from the date on which the permission of the authority, competent to allow such conversion or change of use, is received by the Collector :

Provided also that, the non-agricultural assessment done under this section shall, wherever necessary be revised for a land in accordance with the development permission accorded by the Planning Authority and for this purpose, it shall be mandatory for the Planning Authority to furnish a copy of such development permission to the Collector, in each case within 30 days of grant of such permission or its revision, of any :

Provided also that, the non-agricultural assessment of a land, done on the basis of the use shown in the Development plan, shall be revised in case the Development Plan is revised or modified by the Government and as a result thereof, the use of the land shown in the Development Plan changes, with effect from the date of such revision or modification :

Provided also that, the challan or receipt of payment of conversion tax, non-agricultural assessment and nazarana or premium and other Government dues under this sub-section shall be regarded as the proof of the land having been converted to the non-agricultural use shown in the final Development plan and no further proof shall be necessary.

(3) Nothing in sub-sections (1) or (2) shall be applicable to any land granted by the Government under section 31 or 38, for specific purpose or to any land acquired by the Government under the relevant laws and handed over to any individual, institution or company for use, or to any land which is under any reservation in the Development plan but has not been acquired by the Planning Authority or the Appropriate Authority.

Provision for  
conversion  
of land use  
for lands  
included in  
the draft  
Regional  
plan.

**42C.** (1) Where a land is situated in an area, for which draft Regional plan has been prepared and necessary notice regarding such draft Regional plan has been duly published in the *Official Gazette* or such Regional plan has been approved and published in the *Official Gazette*, the use of such land for the purpose of section 42 or section 44, shall be deemed to have been converted to corresponding non-agricultural use, once development permission on such land under section 18 of the Maharashtra Regional and Town Planning Act, 1966 is granted, if the conversion tax and non-agricultural assessment, as per the provisions of this Act, and, in respect of a land held as Occupant Class-II, nazarana or premium and other Government dues levied for such conversion, as per the prevailing orders of the Government and the relevant provisions of the law, are paid.

(2) Where a land is situated in an area for which draft Regional plan or draft Development plan has been prepared and necessary notice regarding such draft Regional plan or draft Development plan has been duly published in the *Official Gazette* or such Regional plan or, as the case may be, the Development Plan has been approved and published in the *Official Gazette*, the permission to build a farm building, given by the Collector under section 18 of the Maharashtra Regional and Town Planning Act, 1966 or by the Planning Authority under the provisions of the aforesaid Act, shall be deemed to be the permission envisaged under section 41 for such farm building.

**42D.** (1) Any land situated in an area (hereinafter referred to as “peripheral area”) within 200 meters from the limits of—

Provision for conversion of land use for the residential purpose.

- (i) the site of any village, or
- (ii) town or city, where such land adjacent to the limits of such town or city is allocated to a developable zone in the draft or final Regional Plan ;

Shall be deemed to have been converted to non-agricultural use for residential purpose or the purpose admissible as per draft or final Regional Plan, subject to provisions of the Development Control Regulations applicable to such area.

(2) For deemed conversion of the land situated in such peripheral area to the non-agricultural user, the Collector shall, on an application made in this regard or suo motu, determine or cause to be determined the conversion tax at the rate mentioned in section 47A and the non-agricultural assessment for such land and give a notice thereof to the concerned occupant for making payment thereof :

Provided that, where such land is held as Occupant Class-II, the Collector shall also examine the documents by which such land is granted as such and the relevant laws, rules and the Government orders by which such land is governed and of the conversion of the land situated in such peripheral area of the non-agricultural user for the residential purpose or the purpose allowed as per draft or final Regional Plan is permissible thereunder, the Collector shall, wherever necessary, after obtaining prior approval of the authority competent to allow such conversion, determine nazarana or premium and other Government dues payable for such conversion, as per special or general orders of the Government, alongwith the amount of conversion tax and non-agricultural assessment, as aforesaid, and communicate the same to the occupant for making payment. If the payment as required under this sub-section is made by the occupant, necessary entry in the record of rights shall be made showing such land as having been converted to non-agricultural use, with effect from the date of payment as aforesaid and the Collector shall grant him sanad in the form prescribed under the rules within a period of sixty days from payment thereof :

Provided further that, where the action under this sub-section is undertaken on an application made in this regard, the notice, after determination of conversion tax and non-agricultural assessment and, wherever applicable, the amount payable to the Government towards nazarana or premium and other Government dues as per the prevailing orders of the Government, shall be issued to the concerned occupant,—

(a) in respect of land held as Occupant Class-I, within 30 days from the date of application; and

(b) in respect of land held as Occupant Class-II,—

(i) within 30 days from the date of application, where the Collector is competent to grant permission for change of use of such land at his level ; or

(ii) within 30 days from the date of on which the permission of the authority, competent to allow such conversion or change of use, is received by the Collector :

Provided also that, the non-agricultural assessment done under this section for residential or other admissible purpose shall, wherever necessary, be revised in accordance with the development permission accorded by the authority competent to grant such permission, and for this purpose, it shall be mandatory

for such competent authority to furnish a copy of such development permission to the Collector, in each case within 30 days of grant of such building permission :

Provided also that, the challan or receipt of payment of conversion tax, non-agricultural assessment and nazarana or premium and other Government dues under this sub-section shall be regarded as the proof of the land having been converted to the non-agricultural use, and no further proof therefor shall be necessary.

(3) Nothing in sub-section (1) and (2) shall be applicable to any land granted by the Government under section 31 or 38, for specific purpose or to any land acquired by the Government under the relevant laws and handed over to any individual, institution or company for its use, or to any land which is under any reservation in the draft or final Regional Plan but has not been acquired by the Planning Authority or the Appropriate Authority.

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Procedure for  
conversion of  
use of land from  
one purpose to  
another.

**44.** (1) Subject to the provisions of sub-section (2) of section 42, if an occupant of unalienated land or a superior holder of alienated land or a tenant of such land—

(a) Which is assessed or held for the purpose of agriculture, wishes to use it for a non-agricultural purpose, or

(b) if land is assessed or held for a particular non-agricultural purpose, wishes to use it for another non-agricultural purpose, or

(c) desire to use it for the same non-agricultural purpose for which it is assessed but in relaxation of any of the conditions imposed at the time of grant of land or permission for such non-agricultural purpose,

such occupant or superior holder or tenant shall, with the consent of the tenant, or the case may be, of the occupant or superior holder, apply to the Collector for permission in accordance with the form prescribed.

(2) The Collector, on receipt of an application,—

(a) shall acknowledge the application within seven days ;

(b) may, unless the Collector directs otherwise, return the application if it is not made by the occupant or superior holder or as the case may be, the tenant or if the consent of the tenant, or as the case may be, of the occupant or superior holder has not been obtained, or if it is not in accordance with the form prescribed ;

(c) may, after due enquiry, either grant the permission on such terms and conditions as he may specify subject to any rules made in this behalf by the State Government ; or refuse the permission applied for, if it is necessary so to do to secure the public health, safety and convenience or if such use is contrary to any scheme for the planned development of a village, town or city in force under any law for the time being in force and in the case of land which is to be used as building sites in order to secure in addition that the dimensions, arrangement and accessibility of the sites are adequate for the health and convenience of the occupiers or are suitable to the locality ; where an application is rejected, the Collector shall state the reasons in writing of such rejection.

(3) If the Collector fails to inform the applicant of his decision within ninety days from the date of acknowledgment of the application, or from the date of receipt of the application—if the application is not acknowledged, or within

fifteen days from the date of receipt of application for a temporary change of user or where an application has been duly returned for the purposes mentioned in clause (b) of sub-section (2), then within ninety days or as the case may be, within fifteen days from the date on which it is again presented duly complied with, the permission applied for shall be deemed to have been granted, but subject to any conditions prescribed in the rules made by the State Government in respect of such user.

(4) The person to whom permission is granted or deemed to have been granted under this section shall inform the Tahsildar in writing through the village officers the date on which the change of user of land commenced, within thirty days from such date.

(5) If the person fails to inform the Tahsildar within the period specified in sub-section (4), he shall be liable to pay in addition to the non-agricultural assessment such fine not exceeding Five hundred rupees or such amount as may be prescribed, whichever is higher, as may be directed by the Collector.

(6) When the land is permitted to be used for a non-agricultural purpose, a sanad shall be granted to the holder thereof in the form prescribed under the rules.

It shall be lawful for the Collector either of his own motion or on the application of a person affected by the error, to direct at any time the correction of any clerical or arithmetical error in the sanad arising from any accidental slip or omission.

**44A.** (1) Notwithstanding anything contained in section 42 or 44, where a person desires to convert any land held for the purpose of agriculture or held for a particular non-agricultural purpose, situated,—

No permission required for bona fide industrial use of land.

(i) within the industrial zone of a draft or final regional plan or draft, interim of final development plan or draft or final town planning scheme, as the case may be, prepared under the Maharashtra Regional and Town Planning Act, 1966, or any other law for the time being in force ; or within the agricultural zone of any of such plans or schemes and the development control regulations or rules framed under such Act or any of such laws permit industrial use of land ; or

(ii) within the area where no plan or scheme as aforesaid exists, for a bona-fide industrial use ; or

(iii) within the area undertaken by a private developer as an Integrated Township Project, then, no permission for such conversion of use of land shall be required, subject to the following conditions, namely :—

(a) the person intending to put the land to such use has a clear title and proper access to the said land ;

(b) such person has satisfied himself that no such land or part thereof is reserved for any other public purpose as per the Development plan (where such plan exists) and the proposed bona fide industrial use or Integrated Township Project, as the case may be, does not conflict with the overall scheme of the said Development plan ;

(c) no such land or part thereof is notified for acquisition under the Land Acquisition Act, 1894 or the Maharashtra Industrial Development Act, 1961 or covers the alignment of any road included in the 1981-2001 Road Plan or an subsequent Road Plan prepared by the State Government ;



(d) such person ensure that the proposed industry or Integrated Township Project as the case may be, does not come up within thirty meters of any railway line or within fifteen meters of a high voltage transmission line ;

(e) there shall be no contravention of the provisions of any law, or any rules, regulations or orders made or issued, under any law for the time being in force, by the State or Central Government or any local authority, statutory authority, Corporation controlled by the Central or State Government or any Government Company pertaining to management of Coastal Regulation Zone, or of the Ribbon Development Rules, Building Regulation, or rules or any provisions with regard to the benefitted zones or irrigation project and also those pertaining to environment, public health, peace or safety :

Provided that, the provisions of this sub-section shall not apply to the areas notified as the Eco-sensitive Zone, by the Government of India.

(2) The person so using the land for a bona fide industrial use or integrated Township Project, as the case may be, shall give intimation of the date on which the change of user of land has commenced and furnish other information, in the prescribed form within thirty days from such date, to the Tahsildar through the village officers, and shall also endorse a copy thereof to the Collector :

Provided that, where such change of user of land has commenced before the rules prescribing such form are published finally in the Official Gazette, such intimation and information shall be furnished within thirty days from the date on which such rules so published.

(3) (a) If the person fails to inform the Tahsildar and the Collector, as aforesaid, within the period specified in sub-section (2) or on verification it is found from the information given by him in the prescribed form that, the use of land is in contravention of any of the conditions specified in sub-section (1), he shall be liable to either of, or to both, the following penalties, namely :—

(i) to pay in addition to the non-agricultural assessment which may be leviable by or under the provisions of the Code, 82 such penalty not exceeding rupees ten thousand or such amount as may be prescribed, whichever is higher, as the Collector may direct:

Provided that, the penalty so levied shall not be less than twenty times the non-agricultural assessment of such land irrespective whether it does or does not exceed rupees ten thousand ;

(ii) to restore the land to its original use.

(b) Where there has been a contravention of any of the conditions specified in sub-section (1), such person shall, on being called upon by the Collector, by notice in writing, be required to do anything to stop such contravention as directed by such notice and within such period as specified in such notice ; and such notice may also require such person to remove any structure, to fill up any excavation or to take such other steps as may be required in order that the land may be used for its original purpose or that the conditions may be satisfied within the period specified in the notice.

(4) (a) If any person fails to comply with the directions or to take steps required to be taken within the period specified in the notice, as aforesaid, the Collector may also impose on such person a further penalty not exceeding five thousand rupees or such amount as may be prescribed, whichever is higher, for such contravention, and a daily penalty not exceeding one hundred rupees

or such amount as may be prescribed, whichever is higher, for each day during which the contravention continues.

(b) It shall be lawful for the Collector himself to take or cause to be taken such steps as may be necessary ; and any cost incurred in so doing shall be recoverable from such person as if it were an arrear of land revenue.

(5) As soon as an intimation of use of land for bona-fide industrial use or Integrated Township Project, as the case may be, is received under sub-section (2) and on verification it is found that the holder of the land fulfils all the conditions specified in sub-section (1), a sanad shall be granted to the holder thereof in the prescribed form within a period of sixty days in case of bona-fide industrial use and ninety days in case of Integrated Township Project from the date of receipt of such intimation.

Where there is any clerical or arithmetical error in the sanad arising from any accidental slip or omission, it shall be lawful for the Collector either of his own motion or on the application of a person affected by the error to direct at any time the correction of any such error.

*Explanation-I.*— For the purpose of this section “bona fide industrial use” means the activity of manufacture, preservation or processing of goods, or any handicraft, or industrial business or enterprise, carried on by any person or the activity of tourism, within the area notified as the tourist place or hill station, by the State Government,] and shall include construction of industrial buildings used for the manufacturing process or purpose, or power projects and ancillary industrial usage like research and development, godown, canteen, office-building of the industry concerned or providing housing accommodation to the workers of the industry concerned, or establishment of an industrial estate including co-operative industrial estate, service industry, cottage industry, gramodyog units or gramodyog Vasahats.

*Explanation-II.*— For the purpose of this section, “Integrated Township Project” means Integrated Township Project or projects under the Regulations framed for development of Integrated Township Project by the Government, under the provisions of the Maharashtra Regional and Town Planning Act, 1966.

**45.** (1) If any land held or assessed for one purpose is used for another purpose—

Penalty for  
so using  
land without  
permission.

(a) without obtaining permission of the Collector under section 44 or before the expiry of the period after which the change of user is deemed to have been granted under that section, or in contravention of any of the terms and conditions subject to which such permission is granted, or

(b) in contravention of any of the conditions subject to which any exemption or concession in the payment of land revenue in relation to such land is granted, the holder thereof or other person claiming through or under him, as the case may be, shall be liable to the one or more of the following penalties, that is to say,—

(i) to pay non-agricultural assessment on the land leviable with reference to the altered use ;

(ii) to pay in addition to the non-agricultural assessment which may be leviable by or under the provisions of this Code such fine as the Collector may, subject to rules made by the State Government in this behalf, direct ;

(iii) to restore the land to its original use or to observe the conditions on

which the permission is granted within such reasonable period as the Collector may by notice in writing direct ; and such notice may require such person to remove any structure, to fill up any excavation or to take such other steps as may be required in order that the land may be used for its original purpose or that the conditions may be satisfied.

(2) If any person fails within the period specified in the notice aforesaid to take steps required by the Collector, the Collector may also impose on such person a penalty not exceeding three hundred rupees or such amount as may be prescribed, whichever is higher, for such contravention, and a further penalty not exceeding thirty rupees or such amount as may be prescribed, whichever is higher, for each day during which the contravention is persisted in. The Collector may himself take those steps or cause them to be taken ; and any cost incurred in so doing shall be recoverable from such person as if it were an arrear of land revenue.

*Explanation.*— Using land for the purpose of agricultural where it is assessed with reference to any other purpose shall not be deemed to be change of user.

Responsibility of tenant or other person for wrongful use. **46.** If a tenant of any holder or any person claiming under or through him uses land for a purpose in contravention of the provisions of section 42, 43 or 44 without the consent of the holder and thereby renders the holder liable to the penalties specified in section 43, 44 or 45, the tenant or the person, as the case may be, shall be responsible to the holder in damages.

Power of State Government to exempt lands from provisions of Ssection 41, 42, 44, 45 or 46. **47.** Nothing in section 41, 42, 44, 45 or 46 shall prevent—  
(a) the State Government from exempting any land or class of lands from the operation of any of the provisions of those sections, if the State Government is of opinion that it is necessary, in the public interest for the purpose of carrying out any of the objects of this Code to exempt such land or such class of lands ; and  
(b) the Collector from regularising the non-agricultural use of any land on such terms and conditions as may be prescribed by him subject to rules made in this behalf by the State Government.

Liability for payment of conversion tax by holder for change of user of land. **47A.** (1) There shall be levied and collected additional land revenue, to be called the conversion tax, on account of change of user of lands.

(2) Where any land assessed or held for the purpose of agriculture is situated within the limits of Mumbai Municipal Corporation area excluding the area of the Mumbai City District or any other Municipal Corporation area or of any 'A' Class or 'B' Class Municipal area or of any peripheral area of any of them, and—

(a) is permitted, or deemed to have been permitted under sub-section (3) of section 44, to be used for any non-agricultural purpose ;

(b) is used for any non-agricultural purpose, without the permission of the Collector being first obtained, or before the expiry of the period referred to in sub-section (3) of section 44, and is regularised under clause (b) of section 47 ; or

(c) is put to a bona-fide industrial use as provided in section 44A,— then, the holder of such land shall, subject to any rules made in this behalf, be liable to pay to the State Government, the conversion tax, which shall be equal to five times or such amount as may be prescribed, whichever is higher, of the non-agricultural assessment leviable on such land, in accordance with the purpose for which it is so used or permitted to be used.



(3) Where any land assessed or held for any non-agricultural purpose is situated in any of the areas referred to in sub-section (2), and—

(a) is permitted, or deemed to have been permitted under sub-section (3) of section 44, to be used for any other non-agricultural purpose ;

(b) is used for any other non-agricultural purpose, without the permission of the Collector being first obtained, or before the expiry of the period referred to in sub-section (3) of section 44, and is regularised under clause (b) of section 47 ; or

(c) is put to a bona-fide industrial use as provided in section 44A,—then, the holder of such land shall, subject to any rules made in this behalf, be liable to pay to the State Government, the conversion tax, which shall be equal to five times or such amount as may be prescribed, whichever is higher, of the non-agricultural assessment leviable on such land, in accordance with the purpose for which it is so used or permitted to be used.

*Explanation.*— For the purposes of this section,—

(1) (a) “Mumbai Municipal Corporation” means the Mumbai Municipal Corporation constituted under the Mumbai Municipal Corporation Act;

(b) “any other Municipal Corporation” means all the other existing Municipal Corporations, constituted under the City of Nagpur Corporation Act, 1948 or the Bombay Provincial Municipal Corporation Act, 1949, as the case may be ;

(c) “ ‘A’ Class or ‘B’ Class Municipal area” means any Municipal area classified as ‘A’ Class or, as the case may be, ‘B’ Class Municipal area under the Maharashtra Municipal Councils, Nagar Panchayats and Industrial Townships Act, 1965;

(2) “peripheral area” in relation to—

(a) Mumbai Municipal Corporation area (excluding the area of the Mumbai City District) and Municipal Corporation areas of the Nagpur and Pune Municipal Corporations means the area within eight kilometres from their periphery ; and

(b) all the other Municipal Corporations areas means the area within five kilometres from their periphery;

(c) any ‘A’ Class or ‘B’ Class Municipal area, means the area within one kilometre from the periphery of each of such ‘A’ Class or ‘B’ Class Municipal areas.

**48. to 66.**                   \*                   \*                   \*                   \*

**67.** (1) The land revenue leviable on any land under the provisions of this Code shall be assessed, or shall be deemed to have been assessed, as the case may be, with reference to the use of the land,—

Manner of  
assessment  
and alteration  
of assessment.

(a) for the purpose of agriculture,

(b) for the purpose of residence,

(c) for the purpose of industry,

(d) for the purpose of commerce,

(e) for any other purpose.

(2) Where land assessed to agriculture is used for non-agricultural purposes or vice-versa or being assessed to one non-agricultural use is used for another non-agricultural purpose, then the assessment fixed under the provisions of this Code upon such land shall, notwithstanding that the term for which such assessment may have been fixed has not expired, be liable to be altered and assessed at a rate provided for under this Code in accordance with the purpose for which it is used or is permitted to be used.

(3) Where land held free of assessment on condition of being used for any purpose is used at any time for any other purpose, it shall be liable to assessment.

(4) The assessment under sub-sections (2) and (3) shall be made in accordance with the rules made in this behalf.

**68. to 107.** \* \* \* \*

## CHAPTER VII

### ASSESSMENT AND SETTLEMENT OF LAND REVENUE OF LANDS USED FOR NON-AGRICULTURAL PURPOSES

**108.** In this Chapter, unless the context requires otherwise, “full market value” in relation to any land means an amount equal to the market value of that land plus the amount representing the capitalised assessment for the time being in force. The capitalised assessment shall be determined in such manner as may be prescribed.

**109.** Subject to any exemption and to any limitations contained in the first proviso to section 68, the non-agricultural assessment of lands shall be determined with reference to the use of the land for non-agricultural purposes and having regard to urban and non-urban areas in which the lands are situated ; and shall be determined and levied in accordance with the provisions of this Chapter.

**110.** (1) The collector shall subject to the approval of the Commissioner, by notification in the Official Gazette, divide the village in non-urban areas into two Classes-Class I and Class II—on the basis of the market values of lands, due regard being had to the situation of the lands, the non-agricultural propose for which they are used, and the advantages and disadvantages attaching thereto.

(1A) Notwithstanding anything contained in sub-section (1), any area of a village or group of villages which has been notified as an “urban area” under clause (42) of section 2 shall, on the date of coming into force of the Maharashtra Land Revenue Code (Amendment) Act, 2003, cease to be such urban area and shall, from the said date, be deemed to be Class I village for the purposes of assessment of non-agricultural assessment of such village under this Code :

Provide that, nothing contained in sub-section (1A) shall in any way affect the liability of an assessee for payment of any tax which has already been assessed and accrued prior to the said date in respect of such notified urban area :

Provided further that, notwithstanding anything contained in sub-section (1A), any tax already levied and paid before the said date, in respect of such notified urban area, shall not be refunded.

(2) The Collector shall, subject to the general or special orders of the State Government, assess lands falling in Class I according to the non-agricultural purpose for which they are used at a rate not exceeding ten paise or such amount as may be prescribed, whichever is higher, per square metre per year, and those falling in Class II at a rate not exceeding five paise or such amount as may be prescribed, whichever is higher, per square metre per year, regard being had to the market value of lands used for the non-agricultural purpose, so however, that the assessment so fixed is not less than the agricultural assessment which may be leviable on such land.

**111.** The Collector shall divide urban area into blocks on the basis of the market value of lands, due regard being had to the situation of the lands, the non- agricultural purposes for which they are used, and the advantages and disadvantages attaching thereto.

Procedure for determining non-agricultural assessment in urban area.

**112.** The non-agricultural assessment on lands in each block in an urban area shall not exceed three per cent. of the full market value thereof, when used as a building site.

Non-agricultural assessment not to exceed three per cent. of full market value.

**113.** (1) Subject to the provisions of section 112, the State Government shall, or if so authorised by the State Government, by notification in the Official Gazette, the Collector shall, fix the rate of non-agricultural assessment per square metre of land in each block in an urban area (to be called "the standard rate of non-agricultural assessment") at such percentage of the full market value of such land as may be prescribed.

Power of Collector to fix standard rate of non-agricultural assessment.

*Explanation.*—For the purpose of this sub-section, the full market value shall be estimated in the prescribed manner on the basis of the land rates as determined and issued in the form on Annual Statement of rates, by the Chief Controlling Revenue Authority under the Bombay Stamp (Determination of True Market Value of Property) Rules, 1995 framed under the Bombay Stamp Act, 1958 immediately preceding the year in which the standard rate of nonagricultural assessment is to be fixed.

(2) The standard rate of non-agricultural assessment shall remain in force for a period of five years (hereinafter referred to as "the guaranteed period") and shall then be liable to be revised in accordance with the provisions of this Chapter :

Provided that, the first such guaranteed period shall commence on the first day of August, 1979 and shall expire on the 31st day of the 1991:

Provided further that, the State Government may, extend such guaranteed period for all or any block in any urban area so however that, such extended period shall not be more than five years.

(2A) Where the standard rate of non-agricultural assessment in any block in any urban area has been fixed or revised before the 1st day of August 1979, such standard rate shall be deemed to be due for revision at any time on and after the day of August 1979 ; and then such standard rate if so revised shall be deemed to have come into force with effect from the 1st day of August 1979 on

which date the first guaranteed period commenced and would remain in force upto the 31st July 1991 and would then be subject to further revision under sub-section (2B), from time to time.

(2B) Where the standard rate of non-agricultural assessment is fixed or revised of any guaranteed period, the same shall be revised as soon as possible after the commencement of the next guaranteed period and such revised rate shall be deemed to have come into force with effect from the commencement of such next guaranteed period.

(2C) Notwithstanding anything contained in sub-section (1) or the rules made thereunder, the rates of non-agricultural assessment of every guaranteed period of five years after the 1st August 2001 shall not be less than the rate prevailing on the day immediately preceding the beginning of such guaranteed period (hereinafter referred to as “the reference day”) and shall not exceed,—

(a) three times the non-agricultural assessment rate prevailing on the reference day in a Municipal Corporation area and two times of such rate in the area of the rest of the State, for the cases which are already assessed for non-agricultural purposes; and

(b) six times the non-agricultural assessment rate prevailing on the reference day in a Municipal Corporation area and four times of such rate in the area of the rest of the State, for the cases to be assessed for non-agricultural purposes.

(3) The standard rate of non-agricultural assessment fixed or revised as aforesaid shall be published in the Official Gazette, and in such other manner as may be prescribed before they are brought into force.

Rate of  
assessment  
of lands used  
for non-  
agricultural  
purposes.

**114.** (1) Subject to the provisions of this section, the rate of assessment in respect of lands in urban areas—

(a) used for purposes of residential building, shall be the standard rate of non-agricultural assessment ;

(b) used for the purpose of industry, shall be one and one-half times the standard rate of non-agricultural assessment.

(c) used for purpose of commerce, shall be thrice the standard rate of non-agricultural assessment in the areas within the limits of all the other municipal corporations, excluding the area of the Mumbai City District in the Mumbai Municipal Corporation area, and twice the standard rate of non-agricultural assessment in the remaining urban areas of the State.

*Explanation.*— For the purpose of this clause, “other municipal corporation” and “Mumbai Municipal Corporation” shall have the same meaning as assigned to them in the Explanation to section 47A;

(d) used for any other non-agricultural purpose, shall be fixed by the Collector, at a rate not less than the standard rate of non-agricultural assessment, and not exceeding one and one-half times that standard rate, regard being had to the situation, and special advantages or disadvantages attaching to such lands.

(2) Where any land is used for any non-agricultural purpose for a period of six months or less, the non-agricultural assessment shall be half of that fixed for land used for that non-agricultural purpose.

(3) Notwithstanding anything in this section, the Collector may in respect

of any land in a block fix the non-agricultural assessment for that land at a rate not less than seventy-five per cent. of the rate fixed in sub-section (1) but not exceeding by twenty-five per cent. the rate so fixed for the particular use, regard being had to the situation, and special advantages or disadvantages attaching to such land.

**115.** Except as otherwise directed by the State Government in the case of co-operative societies and housing boards established under any law for the time being in force in this State, the non-agricultural assessment shall be levied with effect from the date on which any land is actually used for a non-agricultural purpose.

Date of commencement of non-agricultural assessment.

**117.** Lands used for the following purposes shall be exempt from the payment of the non-agricultural assessment, namely :—

Lands exempt from payment of non-agricultural assessment.

(1) lands used by an agriculturist for an occupation subsidiary or ancillary to agriculture, such as the erection of sheds for hand-looms, poultry farming, or gardening or such other occupation as the State Government may specify in rules made in that behalf ;

(2) lands used for purposes connected with the disposal of the dead ;

(3) lands solely occupied and used for public worship and which were exempt from payment of land revenue by custom, grant or otherwise before the commencement of this Code ;

(4) lands used for an educational or a charitable purpose the benefit of which is open to all citizens without distinction of religion, race, caste, place of birth or any of them ;

(5) lands used for any other public purpose which the State Government may by rules made under this Code declare to be exempt, for such period and subject to such conditions as may be specified therein;

(5a) agricultural lands in non-urban area used for personal bona fide residential purpose under sub-section (2) of section 42;

(6) such agricultural lands (outside a gaothan, if any) in a non-urban area, converted to non-agricultural use for purposes of residential building as the State Government may, by notification in the Official Gazette, specify.

**118.** It shall be lawful for the State Government to direct that any land which is exempt under the provisions of section 117 from payment of non-agricultural assessment shall cease to be so exempt if the land is used for any purpose other than that for which the exemption is provided; and thereupon the land shall be liable to payment of the assessment according to the provisions of this chapter, and in addition, to such fine as the Collector may, subject to the general orders of the State Government, direct.

Revocation of exemption.

**119.** Nothing in this Chapter shall be deemed to prevent the Collector from determining and registering the proper full non-agricultural assessment on lands wholly exempt from payment of such assessment.

Non-agricultural assessment of lands wholly exempt from payment of land revenue.



Non-agricultural assessment fixed before commencement of Code to continue in force until altered.

**120.** The non-agricultural assessment fixed on lands and in force in any part of the State immediately before the commencement of this Code shall be deemed to have been fixed under the provisions of this Chapter and shall notwithstanding anything contained in this Chapter, be deemed to continue to remain in force during the whole of the period for which the assessment was fixed, and thereafter, until such assessment is revised under the provisions of this Chapter.

**121. to 124.** \* \* \* \*

Pardi and wada lands exempted from payment of land revenue.

**125.** Pardi land not exceeding one-fourth of an acre, and wada land, used only for an agricultural purpose or a purpose subsidiary or ancillary thereto, shall be exempt from the payment of land revenue :

Provided that, in the case of pardi land the holder thereof shall be liable to the payment of non-agricultural assessment and fine, as the case may be, under sections 44, 45 and 67 for alteration of the use for any purpose from agricultural use.

**126. to 327.** \* \* \* \*

Rules. **328. (1)** \* \* \* \*

(2) In particular and without prejudice to the generality of the foregoing provisions, such rules may provide for all or any of the following matters :—

(i) to (xiv) \* \* \* \*

(xiv-a) under section 41, the form of application for permission for erection of a farm building or carrying out the work of renewal, reconstruction, alternation or additions ; and the terms and conditions subject to which such permission may be granted by the Collector ;

(xiv-aa) under sub-section (2) of section 42, the form in which the person shall give intimation of the date on which the change of use of land has commenced and furnish other information ;

(xv) \* \* \* \*

(xvi) under sub-section (1), the form of application for permission to convert the use of land from one purpose to another; under clause (c) of sub-section (2), the rules subject to which permission for change of user may be granted by the Collector ; and under sub-section (3) of section 44, the conditions subject to which the permission for change of user shall be deemed to have been granted; under sub-section (5), the rules prescribing the fine which the defaulter shall be liable to pay ; and under sub-section (6) of section 44, the form in which sanad shall be granted to the holder for non-agricultural use ;

(xvi-a) under sub-section (2) of section 44A, the form in which the person using the land for a bona fide industrial use or Integrated Township Project shall give intimation of the date on which the change of user of land has commenced and furnish other information; and under sub-clause (i) of clause (a) of sub-section (3) of section 44A, the rules subject to which the Collector may levy penalty for failure to send intimation to the Tahsildar and under sub- section (5) of section 44A, the form of Sanad ;

(xviii) under section 47, the rules subject to which the Collector may regularise the nonagricultural use of any land ;

(xix) to (xxiii)                   \*                   \*                   \*                   \*

(xxiv) under sub-section (4) of section 67, rules according to which the assessment may be made under sub-sections (2) and (3) thereof ;

(xxv) to (xxxvii)      \*                          \*                          \*

(xxxvii-a) under section 108, the manner of determining the capitalised assessment;

(xxxviii) under section 113, the percentage of the full market value of lands and the other manner of publication of the standard rates of non-agricultural assessment, fixed or revised and the manner in which the full market value shall be estimated ;

(xxxix) under section 117, the other occupations under clause (1), and the period and conditions under clause (5) thereof ;

(xl) to (lxiii)                   \*                   \*                   \*                   \*

**329. to 337.** \* \* \* \*

**SCHEDULES.** \* \* \* \*





**MAHARASHTRA LEGISLATURE  
SECRETARIAT**

**[L. A. BILL No. XCVII OF 2025.]**

**[A Bill further to amend the Maharashtra  
Land Revenue Code,1966.]**

**[SHRI CHANDRASHEKHAR BAWANKULE,**  
Minister for Revenue.]

**[As passed by the Legislative Assembly  
on the 10<sup>th</sup> December, 2025.]**

**JITENDRA BHOLE,**  
Secretary-1,  
Maharashtra Legislative Assembly.

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Government Press, Nagpur.