

## CHAPTER XI

# REVENUE ADMINISTRATION

### HISTORY OF REVENUE ADMINISTRATION

Nothing much is known about the land revenue system in Jhajjar tract in the past. However, the land revenue has always formed a major source of income for the rulers. For centuries, it has remained a necessary concomitant to an organized revenue administration. The welfare and prosperity of agricultural classes was closely concerned with the settlements of land revenue. On account of its paramount importance, the procedure of its levy, recovery and administrative control through revenue authorities over the land gradually underwent numerous changes. The oldest system of collection of land revenue consisted in the share of taking crops which was collected at the harvest time on the threshing floor that ranged from one-sixth to one-twelfth of the gross produce in normal times with obvious fluctuations at the time of war or natural calamity, etc.

The area of Jhajjar in the medieval period was a part of Delhi Province and working as *iqta*. During that period, the system of land tax was based on the diverse patterns adopted during different reigns of kings like measure system, *batai* system, *zabti* system, *ijaredari* system, *khiraj* system, etc. The land tax on agriculture produce was fixed from 40 percent to 50 percent or more depending upon the nature and quality of the land. Sher Shah Suri during his reign introduced a proper survey of every individual's land holding before assessment by means of the standardized unit-the *Sikandari Gaz* of 32 digit as a reform. The assessment was made after categorizing the land into good, middle and bad; the standard yield per *bigha* was added up and averaged, and  $1/3^{\text{rd}}$  of the average was fixed as the State demand payable in kind or cash at market rates.

The first major change was brought in Akbar's reign with the help of Raja Todar Mal who laid the new foundation of land revenue system.

During the reign of Akbar, area now comprising district Jhajjar was part of Sarkar of Delhi as its '*Pargana*'. Jhajjar and Mandothi with areas 1,28,417 *bigha* and 90,464 *bigha* used to generate land revenues worth 14,22,451 *daam* and 28,58,223 *daam*, respectively<sup>1</sup>. He overhauled and settled the land revenue system with efficacy in a short span of time. He framed numerous rules to give proper shape to the revenue system and appointed a Revenue Accountant in every village and to measure all cultivable land for once by a uniform standard. The produce of land was ascertained at *bigha* level and 1/3<sup>rd</sup> of the total produce was king's share. The main features of assessment in the circles were: measurement of all arable and productive land in terms of standard *bigha*; an estimate of gross produce per-*bigha*, based on an elaborate classification of soils according to their productiveness and other advantages; and the conversion of system share of the gross produce to money rates calculated on the basis of 10 years prices. In *Ain-i-Akbari*, Abul-Fazl stated that the land revenue system of Akbar was highly efficient and peasants were quite happy.<sup>2</sup>

Even after Akbar's reign, the revenue system continued with minor changes in rates or territorial jurisdiction. During the 18<sup>th</sup> century, both parties, *zamindar* and cultivator, regarded the amount to be paid as variable, to be increased or reduced as circumstances might permit. The rates of land revenue reached quite high i.e. two parts out of five of the produce so the farmers looked forward to a time when they might be strong enough to refuse payment altogether. As the government grew weaker, and as the people became bolder, they naturally began to refuse to pay any revenue.

The area of Jhajjar became a part of territory of Marathas, after being defeat by George Thomas, an Irish native of Tipperary who was adopted by Appa Kandi Rao, in March 1794. After the *jagir* of the Jhajjar area was also bestowed upon him by Kandi Rao, he became the ruler of the tract. He used to collect land revenue by the persuasion of guns and bayonets. This is said

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1 K.C.Yadav, *Haryana ka Itihaas*, Part-2, 1981, p. 151

2 S.C. Raychoudhary, *Social, Culture and Economic History of India*, 2002, p. 226

to have increased the annual land revenue collections by nearly a lakh and a half<sup>1</sup>. The Nawab (Abdul Samad Khan) of Dujana, however, gave up the attempt in disgust and despair after six years. Details of collection of revenue from the *parganas* in the Jhajjar during 1798 to 1802 were as shown in the table below<sup>2</sup>:-

Figures in ₹		
<i>Paraganas</i>	Earlier land revenue	Increased income
Jhajjar	3,00,000	80,000
Beri	30,000	14,000
Mandothi	30,000	10,000
Badli	1,20,000	1,20,000
<b>Total</b>	<b>4,80,000</b>	<b>2,24,000</b>

In 1858, the areas of the present district including the estates which belonged to the Nawab of Jhajjar and Bahadurgarh came under British. It comprised 219 villages, with an area of 3,48,232 acres<sup>3</sup>. The summary settlements, made by its respective rulers, were sufficiently moderate in nature. The revenue of the settlements was as follows, with an incident pretty near that given below, and which is calculated on the area of summary settlement 1858-59<sup>4</sup>:-

Description	Number of villages	Revenue	Incident per acre of cultivation		
		₹	₹	Anna	Paise
Bahadurgarh	21	34,875	1	10	3
Jhajjar	190	2,67,017	1	3	10
Jhajjar villages in Sampla	5	12,875	1	0	9
Jhajjar and Bahadurgarh villages in Rohtak	3	1,845	0	7	6
<b>Total</b>	<b>219</b>	<b>3,16,612</b>			

1 Rohtak District Gazetteer, 1910, p. 26

2 K.C.Yadav, *Haryana ka Itihaas*, Part-2, 1981, p. 153

3 Rohtak District Gazetteer, 1883-84, p. 114

4 *Ibid.*, p. 120

The incidence of land revenue in Bahadurgarh was extraordinary high, considering that no village was receiving irrigation at the time of Nawab, and that only four villages enjoyed a scanty share of the floods which might overflow from the Najafgarh *Jhil* (small water body). The rate of land revenue in Jhajjar was also very high, based on the consideration that the large number of the wells then existed had been sunk since 1862.

Besides the revenue demand, under the Nawabs there were a number of other exactions, petty in themselves but considerable in the aggregate, as was common in native states and consequently some villages in the Jhajjar territory were deserted, and many cultivators fled even from the strongest estates. In Bahadurgarh, owing to the utter incapacity and weakness of the ruler, things never came to so bad a pass as in Jhajjar, because the villagers simply defied the Nawab, and he was unable to collect the revenue. It may be mentioned here that Nawabs were not lords of the soil. The grants of their territories may be found in the Punjab Volume of Mr. Aitchison's Treaties (by Sir Charles Umpherston Aitchison), and the terms of these grants show that they were in reality mere service *Jagirs* of an unusually large extent. No doubt, the rulers were absolute owners in estates which they had reclaimed from the waste and founded themselves; but the grant in no way affected the status of the villagers of the estates then existing, who remained owners of the soil, as they had been for centuries before. Their right was never contested by the Nawabs; and the people sold and mortgaged lands as freely under their rule as under British Crown; with entries as proprietors of soils like in the settlement records of the Nawabs. The first regular settlement of the resumed Nawabis was effected from 1860 to 1863, followed by a revised settlement from 1879 to 1909, and third regular settlement from 1909 to 1910. The new demands were sanctioned by the Government for a period of 30 years, except in the few canal villages.

**Summary and Early Settlement.**—After the resumption of territories of the two Nawabs, the summary settlement of their villages in Jhajjar was prepared by Mr. J. S. Campbell, the then Deputy Commissioner, Rohtak. The settlement

report for Jhajjar tehsil was submitted by him in June 1858, and that for the other *parganas*, including Badli and Bahadurgarh, in August<sup>1</sup>. As many as 27 out of the 34 villages were annexed after the revolt of 1857. The said villages were of the *pargana* of Badli, which had been part of the State of Jhajjar, three were held by the Nawab of Farrukhnagar, and four belonged to the king of Delhi's tehsil, Kot Kasim. The Badli villages, on the confiscation of the Jhajjar State, were also summarily assessed by him, and he reduced the demand from ₹36,333, at which it stood under the Nawab, to ₹27,746.<sup>2</sup> Subsequently, the assessment of these villages after their transfer to Gurgaon in 1860 was revised in 1864 by the Deputy Commissioner of Gurgaon, who further reduced the demand to ₹26,720.

The period of the regular settlement was fixed so as to end conterminously with that of the rest of the district in 1870. The figures of the two settlements of the villages in Jhajjar and Bahadurgarh were as follows:-

	(amount in ₹)	
Territories	Assessment of the Summary settlement	Assessment of the Regular Settlement
Bhadurgarh villages (21)	25,815	27,755
Jhajjar estates (190)	2,17,885	2,14,775
Jhajjar Estates in Sampla (5)	10,305	10,205
Jhajjar and Bhadurgarh villages in Rohtak(3)	1,825	1,861
<b>Total (219)</b>	<b>2,55,830</b>	<b>2,54,596</b>

**The Settlement of 1879.**— The revised settlement made by the Messrs Purser and Fanshawe came into force with effect from *kharif* of 1879. In the Jhajjar tehsil, the demand for 1878-79 settlement was increased to ₹2,18,437 from ₹2,14,775 of the earlier Regular Settlement. Five years after settlement the demand of the four villages temporarily settled was raised by ₹1,052. Under this settlement the Jhajjar tehsil was divided into five assessment circles

1 Rohtak District Gazetteer, 1883-84, p. 121

2 Gurgaon District Gazetteer, 1883-84, pp. 114-115

as follows<sup>1</sup>:-

Name of Circle	Estates	Position
<i>Dahri</i> or flood land	14	Along the east border.
<i>Rousli Chahi</i> or well-irrigated loam	15	West of the flood circle and in the centre.
<i>Rousli barani</i> or unirrigated loam	16	Along the north border.
<i>Bhur chahat pukta</i> , or sandy soil and lined wells .	17	Above and below the <i>rousli chahi</i> and next circle.
<i>Bhur Chahat kham</i> , of sandy soil and unlined wells.	18	West of the <i>rousli chahi</i> circle.

The average holding of the district contained 12 acres of which 10 acres were cultivated. The average area per shareholder was 10 acres of which 8 acres were cultivated. The average recorded term of the *khud-kasht* holding was five years. Almost two thirds of the total cultivated area was in fact *khud-kasht*. There was no real tenant class. Owners who exchanged plots for temporary convenience in cultivation, and men who took some little rent free land from their fathers or uncles were all recorded as tenants. Five acres was accordingly rather an under-estimate of the *khud-kasht* holding. The total 276 estates were classified as *Zamindari* (6), *Pattidari* (57), *Mixed* (27) and *Bhaiachara* (186) estates<sup>2</sup>. The circles were formed entirely with regard to the presence or otherwise of irrigation and its nature. The following figure shows the cultivated and irrigated areas of Jhajjar tehsil as they stood at the Regular Settlement:-

		(Area in Acres)
Revenue free		3,526
Unculturable		34,405
Culturable		49,711
Fallow		23,299
Cultivated	Canal	...
	Wells	14,605
	Naturally Flooded	8,017
	Rain lands	1,56,264
<b>Total</b>		<b>1,78,886</b>

1 Rohtak District Gazetteer, 1883-84, P. 124

2 Third Regular Settlement of Rohtak District, 1905-10, p. 11

It was expected that given decent years the assessment of 1879 which was by no means heavy would be regularly recovered, and in fact with the exception of the famine year of 1883-84 when considerable relief was given, there was at first but very rarely any need for suspension of demand. With 1895-96, however, began a cycle of lean years, liberally interspersed with famines, and but rarely punctuated with good harvests, and during this period suspensions and remissions were allowed to the extent of nearly half the demand on account of extraordinary dry cycle of years. Prompt and generous advances were needed on the close of every famine<sup>1</sup>.

**Third Regular Settlement, 1905-10.**— When the settlement of 1905-10 was effected the most parts of the district was dry and depended on rainfall. However, with the improved facilities of canal irrigation, the production capacity of the land and price was improved to some extent. Thus, it was ordered that the portion of land demand which was due to the extra charge on irrigable land, or more correctly on average area irrigated, be transferred to the canal department as indirect credit. While in this manner assessment was fixed in the other areas, powers were reserved in the flooded tracts of the Jhajjar tehsil (southern *dahari*) to introduce fluctuating assessment hereinafter in lieu of the fixed assessment, if the change was desired by the majority of the land-owners. Further, where the fields in southern *dahari* circle of Jhajjar tehsil got so deeply flooded that the crops could not be reaped, then the years' fixed amount was remitted. Areas served by the wells were also leniently treated. New wells had been admitted to protective leases, exempting them from wet assessment for the period varying 20 to 40 years. The provision was made to relieve the existing wells of wet assessment when they fell out of use. In Jhajjar tehsil, though the assessment was to be progressively increased, it was decided, as the following figures indicate that at no time should the increase be greater than 33 per cent over the old assessment. The total assessment announced by the settlement with respect to Jhajjar tehsil was ₹4.54 lakh (initial), ₹4.60 lakh (final), and ₹6,630 (deferred). In 1909-10, demands (Initial,

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<sup>1</sup> Rohtak District Gazetteer, 1883-84, 1910 pp. 158-59

Progressive and Final) were as given below<sup>1</sup>:-

Tehsil Jhajjar	Crops Year	Total
Initial Demand	Kharif 1909	₹775
	Rabi 1910	₹600
Progressive Demand 6 <sup>th</sup> year	Kharif 1914	₹795
	Rabi 1915	₹610
Final demand 11 <sup>th</sup> Year	Kharif 1924	₹795
	Rabi 1925	₹610

**Revenue Rates during Settlements.**—During the earlier Settlements and the Settlement of 1879, separate rates were framed for each kind of irrigated and unirrigated soil. There were four types of lands namely, canal land, well land, flooded land and rain land in different circles. For areas comprising Jhajjar district rates\* were fixed per acre for those on canal land at ₹2-6-0. The incidence, for those on well land in Jhajjar where floods were more common at ₹3-0-0, in the central well circle at ₹2-12-0, and in *bhur* circle the rates ranged from ₹2-4-0 and ₹2-0-0. Taking the incidence per acre of the result of the well rates throughout the Jhajjar tehsil and applying it to the average well acre of 12 acres, the average assessment worked out at ₹31-8-0 per well. The rate for the flooded land was fixed at ₹2-4-0. For those on the rain land, the incidence ranged from ₹0-12-6 to ₹1-3-0, and for those lands in Sahibi depression was ₹1-1-0.

In the revision of settlement effected between 1905 and 1910 by Mr. E. Joseph as Settlement Officer, the average revenue rates for every acre of cultivated land was ₹1-3-8, and on culturable acre was ₹1-1-7. The sanctioned revenue rate on well lands in the *bhur* circle of Jhajjar was fixed at 11 annas. In the northern *dahri* circle of Jhajjar, the rates for per acre of cultivated land was ₹1-9-3, and on culturable acre was ₹1-5-8. The well rents ranged from ₹5-3-0 per acre in the *bhur* circle to ₹7-14-7 in northern *dahri* circle with an average of ₹5-10-6. In the *barani* land the average rate was ₹3-2-5. Arrangements were also made by which any increase of irrigation

<sup>1</sup> Third Regular Settlement of Rohtak District, 1905-10, p. 52

\* Revenue rates in Rupee-Anna-Paisa

would carry with it an increase of the *nahri parta* of from 3 annas to 6 annas an acre on the area so irrigated. Cesses were also sanctioned as: *lambardari* at 5 percent, and local rate at  $8\frac{1}{3}$  percent of the land revenue. The period of the settlement was fixed for 30 years under section 53 (1) and (3) of the Land Revenue Act.

The rates of land revenue as fixed in the first decade of the twentieth century, however, could not be re-assessed thereafter on account of hardships like fall in prices in 1930s, subsequent failure of crops and famine conditions in 1932-33, 1936-37, 1938-42 followed by World War-II, and later by the independence of the country and partition incidental thereto. Thus, the land revenue continued to be same which was fixed during the last settlement, the rates, however, lost their contact with the income accruing from the land.

### **REVENUE ADMINISTRATION AFTER INDEPENDENCE**

Land reforms were initiated by the Government of India post independence. In 1954, a surcharge on land revenue was levied because the term of the settlement expired in 1939. Again in 1958, a special charge on the land revenue was imposed to meet the heavy financial obligations created by the various development schemes included in the Five-Year Plans. Increased prices of the various crops correspondingly increased the net assets of land which served as a factor for enhancement of revenue. The incidence of land revenue on fully assessed area per acre for total area did not increase from ₹1.16 during 1957 to 1965, but the incidence of Land Revenue on fully assessed area per acre for cultivated area witnessed a significant increase from ₹1.46 to ₹1.53 during the same period.

**Special Assessment on land put to non-agricultural use.**— The Punjab Land Revenue Act, 1887 was amended by the Punjab Act XIII of 1952 which provided special assessment of land “put to a use different from that for which an assessment was in force; and when the land was put to use for non-agricultural purposes such as brick-kilns, factories, houses, landing grounds and other similar purposes”. The work of special assessment of non-agricultural land was started in July, 1955. However, when such non-

agricultural land was used for purposes of agriculture, the return to the state was fixed under land revenue settlements, having regard to economic conditions of the area.

**Adhoc Special Assessment.**— Since a very elaborate procedure was provided for carrying out the special assessment operations which were to take a number of years, it was decided to levy an adhoc special assessment under Punjab Land Revenue (Special Assessment), 1955 as a multiple of the existing land revenue with effect from *kharif* crop of 1955.

**The Punjab Land Revenue (Amendment) Act, 1958.**— While the work of special assessment was in progress a defect was observed in the Punjab Act XII of 1952 in as much as it did not permit the levy of special assessment on land put to non-agricultural use if it was not already assessed to land revenue. In other words, the town sites escaped the assessment. Accordingly, an amendment was brought to provide for assessment of land, whether or not already assessed to land revenue except village *abadi deh* (inhabited site of village) subject to certain exemptions as prescribed under the Act.

Provision was also made that special assessment on sites of land put to non-agricultural use in an assessment circle or part thereof shall not exceed  $\frac{1}{4}$ <sup>th</sup> of the average net letting value; or exceed 2 to 4 per cent of average market value and in any of sites lying vacant and out of use, one percent of the average market value. The net letting value was derived after making the specified deductions from the annual rent, of the fair remuneration at 6 per cent for the capital invested on building or machinery or both after deducting the depreciation on their value; house tax; property tax; and maintenance charges not exceeding one month's rent, of such sites.

On publication of the preliminary assessment reports, a number of representations were received against harshness of the levy by the Government, therefore, in April, 1961 it was decided that the rate of levy would not be up to the maximum limit of 25 per cent prescribed in the Punjab Land Revenue (Amendment) Act, 1958; and it would not exceed  $6\frac{1}{4}$  per cent of the estimated average net letting value. Where, however, this levy had to be

made according to the market value, as provided in the Act, it was to be modified also in the same proportion, as above. Further, exemption was given in cases related to all hilly areas notified as such by Government; and sites on which new factories are built, for a period of 19 years.

Substantial relief was also provided in the cases where the compound and courtyard areas surrounding the building and used for the purpose such as flower beds, kitchen gardens, grassy lawns, fruit plants; and the owner occupied residential houses and bungalows, and it was accordingly approved by the appropriate authority that the rate of levy on owner-occupied houses and bungalows would be  $1/4^{\text{th}}$  of the rate otherwise leviable i.e. if the building was rented; and the rate of levy on compound and courtyard areas would be  $1/4^{\text{th}}$  of the rate charge on the building itself. Since the general rate of levy had already been reduced from 25 percent to  $6\frac{1}{4}$  percent of the net letting value, the rate of owner occupied houses came to  $1/16^{\text{th}}$  of the original rate and it came down to its  $1/64^{\text{th}}$  in case of compound and courtyard areas of such houses or bungalows. In addition to above certain exemptions were provided when the use of land was for purposes of a garden, orchard, small scale cottage industries, public charitable or religious purposes, and residential houses in occupation of owners with an annual rental value not exceeding ₹300, besides the use of houses occupied for agricultural purposes or subservient to agriculture

The work of special assessment in areas outside *Lal Lakir* (line to demarcate the inhabited site of village, not assessed to land revenue) was completed in the Jhajjar tehsil, and an area of 227 acres, 5 *biswas*, 2 *biswansis*, and 36 square feet, involving 1439 sites in 30 revenue estates, and income arising therefrom were identified to be brought under it. Through special assessment, a total sum of ₹5,317 and immediate recoverable amount of ₹5,009, respectively, were demanded<sup>1</sup>. The enforcement of the special assessment was suspended with the effect from *kharif* crop of 1964.

**Surcharge on land revenue.**— The Punjab Land Revenue (Surcharge) Act,

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<sup>1</sup> Rohtak District Gazetteer, 1970, p. 191

1954 was enacted with the objective to levy of a surcharge from the *rabi* harvest of agriculture year 1953-54. Under the provisions of the Act, every land owner who paid land revenue in excess of ₹10 was liable to pay a surcharge thereon to the extent of twenty five percent of land revenue if the amount payable by him as land revenue did not exceed ₹30, and if it exceeded ₹30, forty percent of it.

As the surcharge levied from 1954-55 proved inadequate to meet the huge financial obligations pertaining to various development schemes envisioned by the Government, thus it became indispensable to augment the revenue of the State in every possible manner, and necessitated a special charge which was levied under the Punjab Land Revenue (Special Charge) Act, 1958 from the *rabi* (the spring crop) harvest of agriculture year 1957-58. The rate of the special charge was based on the income tax modal with different slabs for different categories of land owners. The slab of special charge was based on land revenue payable whereas the land owners paying land revenue plus surcharge up to ₹50 had been exempted from the provisions of the Act, the slabs for others ranged from 50 percent to 300 percent was as under:-

<b>Land Revenue payable by owner</b>	<b>Special charge admissible</b>
On the first ₹50	Nil
On the next ₹50	50 per cent
On the next ₹100	70 per cent
On the next ₹300	100 per cent
On the next ₹500	150 per cent
On the remaining amount above ₹1,000	300 per cent

**Other enactments.**— The Punjab Commercial Crops Cess Act, 1963 was enacted with the objective to increase revenue by way of levy of cess on commercial crops such as cotton, sugarcane, chillies, etc. A rate of cess was ₹4 in case of land irrigated by the canal and a cess of ₹2 in case of other lands had been levied from *kharif* year 1963. However, there was an exemption clause in case of crops of cotton or sugarcane which were sown for the domestic purpose up to one *kanal* in case of chillies and two *kanals* in case of sugarcane.

Special surcharge under the Haryana Land Revenue (Additional Surcharge) Ordinance No.2 of 1967 was levied which, at the outset was only for one year that is to say for *kharif* (the autumn crop) year 1967 and *rabi* year 1968, but, was subsequently extended to for *kharif* year and *rabi* year 1968-69, and again up to 1973-74 through amending enactments. The said levy of surcharge, however, could be collected up to 1972-73 on account of implementation of the Haryana Land Holdings Tax Act, 1973.

The Haryana Land Holdings Tax Act, 1973 came into force on 6<sup>th</sup> June, 1973 and consolidated various surcharges/cess levied under the Punjab Land Revenue (Surcharge) Act, 1954; Punjab Land Revenue (Special Charges) Act, 1958; the Punjab Commercial Crops Cess Act, 1963; and the Punjab Land Revenue (Additional Surcharge) Act, 1969 into a single 'Land Holdings Tax'. However, the land holding tax was not levied and charged on the land which was either liable to special assessment under section 59 of the Punjab Land Revenue Act, 1887 or the Punjab Land Revenue (Special Assessment) Act, 1955. It was also further decided that during the period the above tax was levied and charged, the land would not be liable to payment of revenue by way of general assessment neither under the Punjab Land Revenue Act, 1887 nor the payment of local rates under the Punjab Panchayat Samitis and Zila Parishads Act, 1961. The Act brought out a concept of holdings on the basis of a family rather than the individual as a unit for the purpose of imposition of tax and provided for graded taxation on the basis of holding size. The Haryana Land Holdings Tax Act, 1973 worked for 13 years before it was repealed and, the land revenue was abolished in Haryana in October, 1986.

## **COLLECTION OF REVENUE ON LAND HOLDINGS**

Before the British, the revenue collection was the responsibility of the *Lambardar* (a village headman). His office was hereditary and the distribution of revenue was wholly in the hands of *thapa* and village council of which he was the head. When the British acquired the tract, the same arrangement was per force continued for many years, but the hereditary nature of the office, and the authority attached to it, were lost sight of. All the leading men of the

village were admitted to sign the engagement for the revenue, and all who signed it were called headmen. The mode of collection was as vexatious and extortionate as the assessment was oppressive. In 1830, a field-to-field record was introduced and an attempt was made to limit the number of headmen, it being ruled that people were to elect new headmen every year. The plan was not carried out in its entirety. At the Settlement of 1842, the Settlement Officer was directed to reduce the numbers largely, taking a general standard, one headman for every ₹1,000 of revenue. During the settlement of 1905-10, it was noticed that in some villages with multiple headmen collection of revenue was much below ₹1,000.

The *Zaildari* (appertaining to a *zail*, or *zaildar*) system was introduced by Ibbetson at the time of settlement of the Jhajjar tehsil in 1872-1880. In 1904, there were seven *Zaildars* in Jhajjar Tehsil. Their remuneration was very uneven ranging between ₹60 to ₹700 per annum. During the Settlement of 1909, *Zaildars* were appointed throughout the district and were divided into three categories each receiving ₹300, ₹250 and ₹200 annually. The boundaries of *zails*, though primarily based on tribal distinctions, were slightly altered in order to make them correspond as far as possible with the boundaries of *thanas*. Ibbetson during the settlement of 1879 appointed *Ala Lambardars* (Chief Headman) in the Jhajjar tehsil. Barring a few exceptions, these *Ala Lambardars* did not show themselves deserving of the remuneration of one percent of the land Revenue, which they deducted from the revenue of their village, and therefore the system was abolished in 1909. *Zaildars*, however, continued to supervise and assist in the collection of land revenue till the abolition of the system in 1948. The system was revived again in 1950 and again abolished in 1952. These offices of *Inamdars* and *Zaildars* were revived w.e.f. November 28, 1963 under the Land Revenue (2nd Amendment) Rules, 1964 notified on January 23, 1964, and their remuneration was fixed at the rate of ₹300 and ₹200 per annum, respectively. All offices of *Zaildars* and *Inamdars* throughout the erstwhile State of Punjab were abolished again with effect from August 1, 1964, but, *Lambardars* remained responsible for the revenue collection and they were paid *pachotra* at the rate

of 5 per cent of the land revenue till enactment of the Land Holdings Tax Act, 1973 which consolidated various levies. The *lambardars'* allowance was fixed at 3 per cent of the new land holding tax. Quantum of *pachotra* was again revised to 5 percent in 1980-81. The Land Holding Tax was abolished in 1986. *Lambardars* remained to collect arrears of land revenue and collection of *abiana* (water rate) for which they are paid 3 percent of the amount of *abiana* so collected. The amount of remuneration was increased to 10 percent of *abiana* in 2007. In March, 2006, an honorarium to the tune of ₹500 per month was also started for *lambardars*, the rate of which has been increased to ₹1500\* per month since January, 2014. As in March, 2018, there were 758 *Lambardars* in the district. The table below shows *abiana* (water rate) collected from 2010-11 to 2017-18:-

(₹in Lakh)

Year	Amount	Year	Amount
2010-11	58.68	2014-15	55.62
2011-12	46.77	2015-16	50.94
2012-13	68.39	2016-17	71.76
2013-14	56.93	2017-18	60.88

## REVENUE ADMINISTRATION AND LAND RECORDS

The unit of revenue administration is called an estate, and it is usually identical with the villages. Each estate, with a separate record-of-rights and register of fiscal and agricultural statistics, is separately assessed to land revenue. All its proprietors, by law, are jointly responsible in their dealings with Government and for the payment of land revenue. They are represented by one or more *lambardars*. Estates are grouped into *patwar* circles each of which is under the charge of a Patwari. Two or more *patwar* circles are grouped together to form a *kanungo* circle, and similarly, two or more *kanungo* circles are grouped to make a tehsil/sub-tehsil. The following

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\* revised to ₹3000 with effect from 14 October, 2018

tehsils/sub-tehsil, *kanungo* circles, *patwar* circles and revenue estates are in existence in the district as in 2018:-

<b>Tehsil/Sub-Tehsil</b>	<b>Kanungo Circle</b>	<b>Patwar Circle</b>	<b>Revenue estates</b>
Jhajjar	3	33	82
Bahadurgarh	4	23	69
Beri	2	24	38
Matanhail	1	20	37
Sahlawas (sub-tehsil)	1	06	16
Badli	2	21	22
<b>Total</b>	<b>13</b>	<b>127</b>	<b>264</b>

Tehsil-wise detail of the sanctioned staff strength attending to revenue work is as under:-

<b>Tehsil/Sub-tehsil</b>	<b>Tehsildar</b>	<b>Naib-Tehsildar</b>	<b>Office Kanungo</b>	<b>Kanungo</b>	<b>Patwari</b>
Jhajjar	1	1	1	3	33
Bahadurgarh	1	1	1	4	23
Beri	1	1	1	2	24
Matanhail	1	1	1	1	20
Sahlawas (Sub-tehsil)	-	1	-	1	06
Badli	1	1	1	2	21
<b>Total</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>13</b>	<b>127</b>

The Deputy Commissioner as Collector is the head of the revenue administration of the district. He is a steward of the State and is bound to respect and preserve from encroachment every private right in the soil which has been created or confirmed by the State. Where the revenue has been fixed for a term only, he is not only to collect it but also to look forward to a time when it will be revised. Hence, he is to record, in a systematic manner, the requisite statistical information to facilitate its equitable re-assessment. He is to ensure and assist in the measures to prevent the damage to crops from causes which are in any degree controllable by man. He is also to encourage and assist in every effort made by a right holder for the development of his estate. As a measure of decentralizing the revenue work, the powers of Collector have been delegated to the Sub-Divisional Officers (Civil) for their respective Sub-Divisions.

Tehsildar is an important functionary in revenue administration. He is Incharge of the Tehsil for revenue work including revenue judicial work. He has to control the working of *kanungo* and *patwar* circles, to collect revenue punctually, to point out promptly to the Collector any failure of crops or seasonal calamity which renders suspension and remission necessary, and to carry out within his own sphere other duties concerned with land revenue administration. He inspects and approves the mutations in the record-of-rights received from *patwaris* through *kanungos*, and also maintains online availability of such record in collaboration with officers of National Informatics Centre. He is a touring officer, and thus provides opportunities of on the spot redressal of grievances in certain revenue administration cases like partition cases, matters connected with appointment of *lambardars*, lapse of land revenue assignment, etc.

The *Patwari* is an inheritance from the village system of old days. He is appointed for a circle consisting of one or more villages. Besides the proper maintenance of records, the Patwari is required to report to the Tehsildar about any calamity affecting land, crops, cattle or the agricultural classes and to bring to the notice of the Tehsildar encroachments on Government lands, alluvial and diluvial action of river, the death of revenue assignees and pensioners, the emigrations or immigration of cultivators, etc., for appropriate action. He undertakes surveys, field inspections and aids in other Government activities like distribution of relief funds, and prepares the papers showing the demand due from each land owner. When the work of revenue collection is in progress, he is required to furnish all information that may be requisite to facilitate the collections. *Patwari* works under the immediate supervision of *Kanungo*.

*Kanungo* is responsible for the conduct and work of *patwaris* under him, and he constantly moves about his circle, supervising their work, except in the month of September when he stays at tehsil headquarters to check *Jamabandis* (record of rights) received from *patwaris*. The office-*kanungo* is Tehsildar's revenue clerk. His main work is to maintain the statistical revenue records and maps related thereto. He maintains the register of assignees of land

revenue and other miscellaneous revenue registers. He is the custodian of all records received from the *patwaris*, and a well managed office of *kanungo* is an important factor in the revenue management of a tehsil.

At the district headquarter, there is a *sadar kanungo*. The *sadar kanungo* is responsible for the efficiency of other *Kanungos*. He is required to remain in camp for inspecting their work for at least 15 days in every month from October to April. He is the keeper of all records received from *kanungos* and *patwaris*. He maintains it with the help of his assistants. The responsibility of Tehsildar and Naib-Tehsildar for the inspection and correctness of the work of *kanungo* and *patwari* is, however, not affected by the duties of the *sadar kanungo*.

**Land Reforms.**—Prior to British occupation, the nature of the peasants tenure in the area of the district cannot be described accurately in precise legal terms. Like elsewhere the sole aim of the landlords in the past was to squeeze as much out of their estates as possible. The Nawabs of Jhajjar, Bhadurgarh and Dujana family were the biggest landlords in the region and had a strong influence in *khadar* tract of Jhajjar. They were neither considerate nor did they grant any concession in a season of scarcity. Poverty ruled over the life and work of the cultivators. Taking into consideration the deteriorating state of agriculture and the cultivator, the Punjab Tenancy Act, 1887 was enacted which provided for the right of occupancy but the right was restricted to a small number of tenants who had occupied it at revenue rates for 30 years, or were the third generation of a family which occupied it at revenue rates for 20 years, or were an ex-proprietor or heir of an ex-proprietor with proprietary rights and tenant-at-revenue rates status of 20 years standing on it. Evidently, only a few could qualify and the other tenants who had no right of occupancy could be ejected at the end of any agricultural year.

After Independence, the Government felt that there is a requirement of introduction of some suitable land reforms under the authority of law. The state initiated a policy to extend security of tenures to tenants and to coincide ownership with the actual cultivation. The East Punjab Utilization of Land

Act, 1949, was enacted to enforce the utilization of every inch of available cultivable land for growing more food crops and other essential crops. Under this Act, a notice to take over the land is served on every land owner who allows his land to remain uncultivated for six or more consecutive harvests and the land thus taken over is leased out to others for a term ranging from 7 to 20 years. Enactment of the Punjab Abolition of *Ala Malkiyat* and *Talukdari Rights Act, 1952* extinguished all rights, title and interest of an *Ala Malik* in the land held under him by an *Adna Malik*. The Punjab Occupancy Tenants (Vesting of Proprietary Rights) Act, 1952, declared all occupancy tenants as the owners. The Punjab Security of Land Tenures Act, 1953, not only reduced the average which could be reserved but also specifically prohibited ejection of tenants from all unreserved areas, except in the case of default in payment of rent or improper cultivation. Rent was limited to one third of the crop or its value of the customary rent if that was lower. The Act extended the opportunities for tenants to become owners. A tenant of four years standing acquired a right of presumption at sales or foreclosure; but more important than that, tenants of 6 years standing were allowed to buy unreserved area from their land lords of three quarters of the 10 years average of prices of similar land. Section 9-A was inserted to Act of 1953 vide Act XI of 1955 to provide that no tenant liable to ejection would be dispossessed of his tenancy unless he was accommodated on a surplus area or otherwise on some other land by the State Government. All areas owned by a local owner above 30 standard acres, and by a displaced person above 50 standard acres, were considered as surplus area. The Act empowered the Government to utilize the surplus area of both land-owners and tenants for the re-settlement of ejected tenants, landless labourers, and small land owners. It was provided that a small owner who has up to 30 standard acres cannot eject a tenant under the Act from 5 standard acres unless the tenant has been settled by government on surplus area. The State Government provided financial assistance to those tenants and landless agricultural workers who are being re-settled on the surplus area for reclamation purpose and also advances loans for building houses and sinking wells.

In 1972, on the recommendation of the Central Land Reforms Committee,

the Haryana Ceiling on Land Holdings Act, 1972 was enacted. This Act repealed the provisions of the two earlier Acts, namely the Punjab Security of Land Tenures Act, 1953 and the Pepsu Tenancy and Agricultural Lands Act, 1955, insofar as these relate to the ceiling of land holdings and utilization of surplus area. It provided for the assessment of permissible area in relation to a family instead of an individual and reduced the permissible area limit to 7.25 hectares of land under assured irrigation capable of growing at least two crops in a year, 10.9 hectares of land under assured irrigation capable of growing at least one crop in a year or 21.8 hectares in respect of any other land including *banjar* and land under orchards. In cases the family comprises more than three minor children, an additional area, at the rate of one-fifth of the permissible area of the primary unit, is permitted for each additional individual member provided that the total area does not exceed twice the permissible area of the primary unit. The head of a primary unit has also been given a right to select for each of his major sons (or widow and minor children of a predeceased son) the area equivalent to the permissible limit of primary unit. Further, unlike the Punjab Security of Land Tenures Act, 1953, the Act of 1972 provided for vesting the rights of surplus area in the Government, and for its utilization for settlement of tenants and other weaker sections of the society, especially Scheduled Castes, Backward Classes, landless workers, agricultural labourers and others. Besides above enactments the Government also enacted the Punjab Bhudan Yajna Act, 1955; the Punjab Resumption of Jagir Act, 1957; the Punjab Village Common Lands (Regulation) Act, 1961. The Haryana Utilization of Surplus and Other Areas Scheme, 1976 was also notified for proper utilization of surplus areas.

The Haryana Dholidar, Butimar, Bhoneddar and Muqararidar (Vesting of Proprietary Rights) Act, 2010 has been enacted to vest proprietary rights in Dohlidar, Butimar, Bhoneddar and Muqararidar, to provide for payment of compensation to the landowner whose proprietary right is extinguished, and for other consequential matters. The Haryana Ceiling on Land Holdings, 1972 has also been amended vide Haryana Act No.20 of 2011 for its retrospective application, with effect from January 30, 1975, to land acquired by a person for

non-agricultural purposes and falling within 'urban area' as defined under the Haryana Development and Regulation of Urban Areas Act, 1975 (8 of 1975); land acquired by a person and put to non-agricultural use, or land in respect of which permission, wherever applicable, has been granted for its use for non-agricultural purposes by the competent authority; and other lands acquired by a person for non-agricultural purposes subject to certain provisos.

Up to March, 2018, a total of 15,790 acres of land was declared surplus in the district, out of which proprietary rights for an area of 15,707 acres was allotted to 2,469 eligible tenants. Among these allottees 1,017 belonged to the Scheduled Castes and remaining 1,452 were other tenants.

## **CONSOLIDATION OF HOLDINGS**

The fragmented and scattered holdings are a wasteful method of land utilization, as many scientifically improved agricultural practices cannot be adopted on such pieces of lands. It naturally adds to miseries of the tiller as it becomes a daunting task to look after his crops scattered at different places and also to maintain long channels and water courses intact during the passage of time for such fields. Such small holdings and scattered fields also hamper systematic and large-scale development. The process of bringing together small scattered and fragmented pieces of land into compact blocks for better and intensive cultivation is known as consolidation of holdings. Uneconomic, neglected and inaccessible holding are regrouped, into consolidated, composite and homogeneous block. Consolidation saves the tiller to a great extent from wasteful supervision, irrigation of scattered holdings and enables him to avail the facility of modern and scientific agricultural techniques in consolidated holdings.

Consolidations by peasants off the record were done by them mutually. In Punjab Province, the cooperative effort on voluntary basis started in 1920s through cooperative consolidation societies which used to do the same through propaganda and persuasions. The cooperative department took up the work in 1930s but in the absence of legislation did not make much

headway. This paved way of enactment of the Consolidation of Holdings Act, 1936 which made consolidation compulsory in case the two-third of land owners agreed to it.

After Independence, the East Punjab Holdings (Consolidation and Prevention of Fragmentation) Act, 1948 was passed which made consolidation of holdings compulsory and a separate consolidation department was created in 1949. The work of consolidation of holdings in the then area of the district was started in 1951. Apart from consolidating the holdings of farmers, the scheme provided an opportunity for re-planning the countryside, which included the planning of location for schools, hospitals and roads, etc. Land was also reserved for community buildings such as community centres, places of worship, playgrounds, etc. As on 31<sup>st</sup> March, 2018, consolidation work stands completed for 178 villages of the district, and it is going on in villages Chhara, Kheri Hoshiarpur and Kiloil at present.

## **OTHER SOURCES OF REVENUE (STATE AND CENTRE)**

### **STATE REVENUE SOURCES**

After the abolition of land revenue, the State has become largely dependent on other sources of revenue which include stamp duty, registration fee, court fee, general sales tax, excise, central sales tax, value added tax, profession tax, etc. A brief description of each of these is given in the following paragraphs.

#### **Stamp Duty and Registration Fees**

The stamp duty as relate to judicial proceedings is levied under the provisions of the Court Fees Act, 1870 and in other matters under the provisions of the Indian Stamp Act, 1899, and as per the schedules annexed to the respective Acts. As per the requirement of changing times and circumstances, the provisions as well as the schedules have been subjected to amendments and revisions. Remissions or exemptions from payment of stamp duty, in certain specified cases, have also been granted by the Government.

Under these Acts it is required to be ensured, at the level of the judicial and revenue authorities under the overall control of the Sessions Judge and Collector respectively at the district level, that the applications for all suits and other relevant documents are properly stamped.

The Deputy Commissioner is the Registrar in the district under the provisions of the Registration Act, 1908. The Tehsildars and the Naib-Tehsildars are Sub-Registrars and Joint Sub-Registrars, respectively. They carry out the registration work after charging registration fee as prescribed under the Act. The Inspector General of Registration, Haryana exercises general superintendence over all the registration offices in the State and has power to make rules consistent with the Registration Act, 1908. The table below shows the details of collection of Stamp Duty and of Registration Fees received in the district from 2008-09 to 2017-18:-

(₹in crores)			
<b>Year</b>	<b>Stamp Duty</b>	<b>Registration Fee</b>	<b>Total</b>
2008-09	46.58	0.46	47.04
2009-10	32.88	0.40	33.28
2010-11	49.00	0.48	49.48
2011-12	83.67	0.75	84.42
2012-13	94.46	0.90	95.36
2013-14	91.72	0.88	92.60
2014-15	71.51	0.76	72.27
2015-16	76.25	6.63	82.88
2016-17	76.75	7.36	84.11
2017-18	91.25	11.93	103.18

E-stamping system has been introduced with the objective of transparency, efficiency and quickness in delivery of services in the Government system for collection of stamp duty<sup>1</sup>. The expression “e-stamping” means generation of stamp paper used under the provisions of the Indian Stamp Act, 1899 by any person/ stamp vendors/ e-DISHA/ Common Service Centre or any

<sup>1</sup> The Haryana Stamp (Payment of duties by means of online -e- stamping) Rules, 2017

agency or organization / society / company or any authority, etc., authorized by the Chief Controlling Revenue Authority, Haryana through online system on the proper size and quality of paper as provided in Rule 2(s), to denote the payment of stamp duty chargeable under the Act. Term '*e-DISHA*' means 'Electronic Delivery of Integrated Services of Haryana to All' and '*e-DISHA Kendra*' means citizen-centric services delivery centres established by district administration as per the requirement. The facility of online-e-stamping is being provided free of costs in tehsil/sub-division offices in the district Jhajjar. Besides above, The Stamp duty may be paid and e-stamp paper may be generated online by an individual, a stamp vendor, agency, nationalized bank, organization, registered society or any registered firm or any registered company under the Companies Act, 2013, etc., as authorized by the Chief Controlling Revenue Authority, Haryana. In addition to above, the client has to pay the bank charges and the service charges to the service provider at prescribed rates as fixed by the Chief Controlling Revenue Authority for generating e-stamp.

### **Excise and Taxation**

The Excise and Taxation are major sources of revenue for the State in present times. The matters relating to taxation and excise are supervised by the Deputy Excise and Taxation Commissioner (Sale Tax) and the Deputy Excise and Taxation Commissioner (Excise), Jhajjar, respectively, who work under the overall control of the Excise and Taxation Commissioner, Haryana.

**(a) Excise Administration.**—Duties of excise, as mentioned in Entry 51 of the List-II of the Constitution of India, have been levied on the excisable articles like alcoholic liquor or intoxicating drugs manufactured or produced in the State, and countervailing duties at the same or lower rates on similar goods manufactured or produced elsewhere in India. The Punjab Excise Act, 1914 was enacted to consolidate and amend the law in relating to import, export, transport, manufacture, sale, and possession of intoxicating liquor and of intoxicating drugs. In March, 2018, excise administration enforcement by the Excise and Taxation Department, Haryana is carried under

the following state and central enactments:-

- (i) The Punjab Excise Act, 1878 (the Opium Act).
- (ii) The East Punjab Local Option Act, 1925.
- (iii) The East Punjab Molasses (Control) Act, 1948.
- (iv) The East Punjab Opium Smoking Act, 1948.
- (v) The Indian Power Alcohol Act, 1948 (as applicable to Haryana).
- (vi) The Medicinal and Toilet Preparation (Excise Duties) Act, 1955.
- (vii) The Narcotic Drugs and Psychotropic Substances Act, 1985 (replaced the Dangerous Drugs Act, 1939).

The State Government grants licenses under above enactments and levy charges in accordance with provisions contained therein. During 2017-18, 79 composite vends, which dealt with both the Indian-Made Foreign Liquor and the Country Liquor, were auctioned in the district that fetched revenue to the tune of ₹117.46 crore. The excise duty collected under the Medicinal and Toilet Preparation (Excise Duties) Act, 1955 from 2008-09 to 2017-18 in the district is as under:-

(₹in lakh )			
Year	Amount	Year	Amount
2008-09	03.41	2013-14	21.99
2009-10	06.41	2014-15	23.18
2010-11	09.52	2015-16	135.84
2011-12	18.55	2016-17	82.54
2012-13	17.75	2017-18	26.54

**(b) Taxation Administration.**—For the tax administration, the Deputy Excise and Taxation Commissioner (Sales Tax), Jhajjar is assisted by 4 Excise and Taxation Officers, 4 Assistant Excise and Taxation officers and 27 taxation Inspectors besides other subordinate supporting staff. He functions under the supervision of the Joint Excise and Taxation Commissioner (Range), Rohtak. The appellate authority in respect of taxation statutes for Jhajjar district is the Joint Excise and Taxation Commissioner (Appeals), Rohtak. The Deputy Excise and Taxation

Commissioner (Excise) is assisted by 2 Assistant Excise and Taxation Officer, 6 Excise Inspectors and other subordinate supporting staff. He functions under the supervision of the Joint Excise and Taxation Commissioner (Head Quarter), Haryana. The Central and State Acts pertaining to taxation administered by the department in the district are as under:-

- (i) The Punjab Passengers and Goods Taxation Act, 1952.
- (ii) The Punjab Entertainment Duty Act, 1955.
- (iii) The Central Sales Tax Act, 1956.
- (iv) The Haryana Local Area Development Tax Act, 2000.
- (v) The Haryana Value Added Tax Act, 2003.
- (vi) The Haryana Tax on Luxuries Act, 2007.

**Passenger and Goods Tax (PGT).**—This tax is levied under the Punjab Passenger and Goods Taxation Act, 1952 which came into force in August, 1952. The Act provides for levying a tax on passengers and goods carried by road in certain motor vehicles in the State which have been amended from time to time. The amount of tax collected under the PGT Act in the district from 2011-12 to 2016-17 is given in the table below:-

<b>Year</b>	<b>Amount (₹in Lakh)</b>
2011-12	1404.39
2012-13	1690.04
2013-14	1788.67
2014-15	2193.14
2015-16	1920.57
2016-17	1921.58

**Tax on Entry of Goods into Local Areas.**—The Haryana Tax on Entry of Goods into Local Areas Act, 2008 has been enacted with the objective to provide for levy and collection of tax on the entry of goods into a local area for consumption, use or sale therein, from any place outside that local area. The tax, at rate specified by the Government not exceeding 5 percent of the value of goods and except on goods mentioned in the Schedule-A to the Act,

is leviable if the aggregate value of goods imported exceeds ₹10 Lakh in a year, and is to be paid by the importer. During 2014-15, tax realised under the said Act in the district was ₹21.93 Crore. The demand of tax under the said Act for 2017-18 was 24.34 Crore.

**Entertainment Duty.**—The entertainment duty is levied under the provisions of the Punjab Entertainments Duty Act, 1955 and the Punjab Entertainment Tax (Cinematograph Shows) Act, 1954 respectively. The Entertainment Duty Act was passed with the objective to provide for the levy of entertainment duty in respect of admission to public entertainments. The rates of duty on admission to a show, which had been 50 percent in 1967-68, touched an all time high rate of 125 percent in September 1977. With effect from 1<sup>st</sup> July, 2001, the entertainments duty has been reduced, on public cinematograph exhibitions to 50 percent for admission, and on all other entertainments to 25 percent for admission. *Swangs, Nautankis, Nataks* and Fish Aquariums have been exempted from payment of this duty since June, 2001 onwards. Cinema houses were exempted from operation of all provisions of the Punjab Entertainment Tax (Cinematograph Shows) Act, 1954 with effect from 1<sup>st</sup> July 2001. The detail of revenue collected on account of entertainment duty in the district from 2008-09 to 2017-18 is as follows:-

(₹ in Lakh)			
Year	Amount	Year	Amount
2008-09	9.60	2013-14	12.02
2009-10	9.03	2014-15	35.39
2010-11	6.10	2015-16	40.54
2011-12	6.07	2016-17	30.37
2012-13	4.41	2017-18	21.48

**Tax on Luxuries.**— This tax is levied under the provisions of the Haryana Tax on Luxuries Act, 2007 that came into force in August, 2007 which provides for the levy and collection of tax on luxuries provided by the proprietor in their hotels, lodging houses, health clubs and banquet halls, subject to the provisions of the Act, at the rate of ten percent or such other rate

not exceeding fifteen percent, as prescribed by law from time to time. The detail of collection of the tax on luxuries in the district from 2008-09 to 2017-18 is as follows:-

(₹in Lakh)			
Year	Amount	Year	Amount
2008-09	0.76	2013-14	12.76
2009-10	1.83	2014-15	12.71
2010-11	2.13	2015-16	15.70
2011-12	4.09	2016-17	13.21
2012-13	6.43	2017-18	5.42

**Value Added Tax (VAT) And Central Sales Tax.**—Haryana earned the distinction of being the first State in India to introduce Value Added Tax (VAT) system on 1<sup>st</sup> April, 2003. The Act provides for levy and collection of tax on the sale and purchase of goods in the state of Haryana. Like sales tax, VAT is a tax on moveable goods. VAT is a simple, transparent, and efficient system of tax collection. The goods or items sold to Indian Red Cross Society and many other welfare organizations are exempted. VAT is generally levied at the rate of 5 percent, 12.5 percent, and 20 percent on different classes of goods, however, bullion and jewellery attracts tax at 1 percent. The assessment system under VAT has been totally streamlined and all cases are deemed to have been assessed unless taken up for scrutiny by the Department.

The Central Sales Tax, on sales made in the course of inter-state trade and commerce, is levied under the provisions of the Central Sales Tax Act, 1956 that authorises the States to administer this Act on behalf of the Government of India. The entire collection of this tax is appropriated by the States. This central fiscal enactment has provided to the State a major source of revenue. Under section 8(5) of the Central Sale Tax Act, 1956, the Haryana Government, within its jurisdiction, has been empowered to reduce the rates of tax on certain class of goods, or class of dealers or traders if it is expedient to do so in the interest of the State. The Government of India brought down the rate of Central Sales Tax from 4 percent to 3 percent against Form-C in April,

2007 and further reduced it from 3 percent to 2 percent in June, 2008. The amount collected as Value Added Tax and Central Sales Tax in the district from 2008-09 to 2017-18 is given in the table:-

(₹in Crore)			
<b>Year</b>	<b>Amount</b>	<b>Year</b>	<b>Amount</b>
2008-09	155.63	2013-14	389.80
2009-10	188.29	2014-15	416.61
2010-11	240.78	2015-16	343.57
2011-12	282.24	2016-17	405.48
2012-13	321.95	2017-18	220.48

### CENTRAL REVENUE SOURCES

**Central Excise Duties.**— The work of administration of duties under the central excise in the district is looked after by an Assistant Commissioner (Central Excise), who functions under the general control of Commissioner (Central Excise), Rohtak. The main items yielding central excise revenue in the district are products of animal origin, dairy produce, edible vegetables, biscuits, fertilizers, soaps, organic surface-active agents, washing preparations, artificial waxes, candles and similar articles, machinery, pipes, tiles, etc. The collection of central excise duties (PLA+CENVET) in the district from 2008-09 to 2017-18 is given in the table below:-

(₹in Crore)			
<b>Year</b>	<b>Amount</b>	<b>Year</b>	<b>Amount</b>
2008-09	193.72	2013-14	742.43
2009-10	155.03	2014-15	773.38
2010-11	222.10	2015-16	1021.98
2011-12	279.05	2016-17	1339.08
2012-13	638.72	2017-18*	378.37

\* figures up to June, 2018

It is also worthwhile to mention here that Government of India has implemented Goods and Services Tax Act, 2017 with effect from 1<sup>st</sup> July, 2017 by repealing the Central Excise Act, 1944, the Medicinal and Toilet

Preparations (Excise Duty) Act, 1955 and Central Excise Tariff Act, 1985, etc. Besides above, with the implementation of Goods and Services Tax Act, States have also been permitted to levy any new tax as the taxation powers of the States have only been restricted, and not abolished.

**Income Tax.**—Income Tax is charged under the provisions of the Income Tax Act, 1961 enforced in April, 1962 which repealed and replaced the Indian Income Tax Act, 1922. It covers Individual; Hindu undivided family; Company; firm; Association of persons; Body of Individuals whether incorporated or not; Local authority and Artificial Judicial person, etc. The Income Tax is levied from year to year in accordance with the Finance Act passed by the Parliament of India every year. It is further subject to surcharge at 12 percent rate if income exceeds ₹1 crore, and education cess at 3 percent rate is charged on the tax payable.

The Income Tax Department has made available round the clock facility of online filing of tax returns, viewing the TDS Credits in Form 26AS, status of processing of returns, rectification applications can be filed, and even in scrutiny cases e-assessment can be opted.

**Wealth Tax.**—This tax was levied through the enactment of the Wealth Tax Act in 1957 by the Parliament on the net wealth owned by a person on a valuation date (i.e. 31<sup>st</sup> March of every year). It was leviable at the rate of 0.25 percent (1.0 percent with effect from April 2010) of the amount of net wealth that exceeded ₹50 lakh (₹30 lakh w.e.f April 2010), including the value of specified unproductive assets, on the valuation date. It was not applicable to wealth of artificial judicial persons, trusts, political parties, social clubs, partnership firms, co-operative societies, etc., and did not attract education cess or surcharge. The wealth tax was abolished after the expiry of the financial year ending 31<sup>st</sup> March, 2015. The wealth tax has been replaced with additional surcharge of 2 percent on super rich with taxable income of over ₹1 crore annually.