

NALA Act.

DESCRIPTION:

[Amended Act of 1994](#)

[Non applicability of NALA](#)

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The lands used for other than agricultural purposes are liable for payment of NALA tax. The schedule of tax rates depends upon the two factors 1.Nature of utility viz, Industrial, Commercial and Residential, and 2.The population of the locality. Now the unit of measurement has been changed from Sq.Yard to Sq.Mts.

NALA for industrial lands is levied irrespective of the location and population. NALA is levied for Commercial lands if the population is greater than Ten thousand and for residential lands if the population is greater than Fifteen thousand.

The act came into force w.e.f. 1-7-63 [F.1373]. Raising of any crop or garden produce, orchards or pasture is defined as agricultural. Any trade commerce or business is commercial purpose and it does not include any industrial purpose. Industrial purpose means the process of manufacturing any article with the aid of power i.e., electrical or any other form of energy not generated by human or animal agency [Sec.2]

Amended Act:

As per A.P.N.A. L.A (Amendment Act) 1994, Mandal Revenue Officer means the M.R.O. in whose jurisdiction the land or part thereof is situated and includes any officer empowered by the R.D.O. to exercise the power and perform the functions of the M.R.O. under this Act.

As per the amended Act the schedule to Principal Act is substituted as follows :

Local area/population as per latest census	Rates of assessment per Sq.Metre of land used for		
	Industrial	Commercial	Any other Non Agrl. purpose including Residential purpose
1. Local area with a population of 10,000 & less	50 paise	--	--
2.Exceeding 10,000 but not exceeding 50,000	50 paise	50 paise	5 paise
4.Exceeding 50,000 but not exceeding 2 lakhs	75 paise	75 paise	15 paise
5.Population exceeding 2 lakhs	100 paise	100 paise	20 paise

Cesses @ 0.37 ps. are leviable on Non-Agricultural Land Assessment as in the case of Land Revenue.

Non applicability of NALA:

The Act does not apply to the following types of lands :

1. Land in Estates not taken over by Government.
2. a] Land owned by State or Central Government but does not include lands leased out for any Commercial, Industrial or other Non-agricultural purpose.
b] Land vested in a local authority and used for any commercial, industrial or other non agricultural purpose.
3. Land owned by a local authority and used for any commercial purpose so long as no income is derived there from.
4. Land owned by any educational, charitable or religious Institution.
5. Land used exclusively for residential purpose where its extent does not exceed one hundred square metres.

Assessment:

U/s 4, the Revenue Inspector is empowered to determine the assessment payable by an owner of non-agricultural land after inquiry [Form-1] and issue a notice of demand [Form II]. The assessment is payable within 30 days from the date of service of demand notice. The Mandal Revenue Officer is the Appellate Authority [Sec.5] and the Divisional Officer has revision powers [Sec.6]. The Government have powers to revise the assessment [Sec.7] or grant exemption by an order published in the Andhra Pradesh Gazette for any class of non-agricultural lands from levy of

assessment.

Where assessment is levied and collected under the Non-agricultural Lands Assessment Act, no land revenue shall be payable in respect of that land (provision u/s3). According to explanation 2 u/s 3 where the assessment leviable on any non-agricultural land under this Act is less than the land Revenue payable on such land, only land revenue shall be payable on that land.

The Supreme Court in CA 1039/2000 & batch cases arising out of SLP (CN 2877/98) dt 4.8.2000, held that "the land actually put to use" by the units need to be assessed under NALA and vacant land need not be assessed (CCLA's Fax T3/623/2000 dt. 20.9.2000)

Remittance:

Following are the head of accounts for remittance of NALA

0035 Taxes on immovable property other than Agricultural land

101 Receipts under the A P N A L A Act.

01 Urban Area

02 Non Urban Area

ACTS

[The Andhra Pradesh Non-Agricultural Lands Assessment Act, 1963.](#)

[The Andhra Pradesh Non-Agricultural Lands Assessment Rules, 1963.](#)

A. P. N. A. L. A (Amendment Act) 1994

FORMS

Registers

Register 1)- List of owners and measurements.

Register 2)- Assesses wise Demand

Register 3) -Demand, Collection and Balance