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UNITED NATIONS PALESTINE CONCESSION
Communication Received from United Kingdom Delegation
Concerning Urban Property Tax in Palestine during the
Year 1948/49

The following communication, concerning the Urban Property Tax (Temporary Provisions) has, been received from Mr. Fletcher-Cooke of the United Kingdom Delegation.

26 February 1948.

UNITED KINGDOM DELEGATION TO THE UNITED NATIONS
Empire State Building
New York 1, N.Y.

26th February 1948

My dear Bunche,

May I refer to my [letter of 9th February](#) in which I enclosed six copies of the Amendments proposed to the Municipal Corporations Ordinance 1934.

In paragraphs 8-10 of that [letter](#), I referred to the financial arrangements which the Government of Palestine is proposing to make so as to furnish the Local Authorities with funds to carry out their increased responsibilities.

I now enclose six copies of a draft "Urban Property Tax (Temporary Provisions) Bill".

In explanation of the proposal to introduce this Bill, I have been asked to bring the following points to the notice of the Commission:-

- (a) In contemplation of a situation in Palestine in which, after the end of the present Administration, a number of difficulties will be facing the Central Authority, the Government of Palestine is trying to arrange that certain services shall be continued in some form, however rudimentary, by Municipal and other Local Authorities.
- (b) As the Commission is already aware, Municipal Police Forces are already being formed.
- (c) Certain Water Supplies have already been handed over to Local Authorities for custody and operation.
- (d) It is hoped that acme schools will be similarly managed, as also hospitals and clinics.
- (e) Arrangements are also being made similarly to transfer responsibility for social welfare and. remand homes.
- (f) The Government Farm is to be maintained by the Acre Municipality.
- (g) The present financial resources of Local Authorities are insufficient to meet the costs of maintaining such services, even in an elementary form. Indeed, those resources are not sufficient to discharge in all cases the existing obligations of Local Authorities and certain special levies are being made without legal authority.
- (h) At the same time the Government of Palestine is finding it progressively more difficult to collect the Urban and Rural Property Taxes. It is, however, probable that the collection of the former tax by the Local Authority would in many cases meet with less resistance.
- (i) To meet both these difficulties it is proposed in the accompanying Bill to authorise Municipal and Local Councils to collect Urban Property Tax during the year 1948/49.

It is assumed that the Commission will be more interested in the general financial aspects of this proposal than in the details of the Bill and I have, therefore, been asked to enquire whether the Commission agree in principle to the introduction of this Bill.

I shall be most grateful for an indication of the Commission's views in this matter as soon as possible as it is essential to reach a decision before the end of February. This is necessary in order to allow time for the transfer of records and staff (on secondment) to the Local Authorities concerned.

The 1947/48 assessment in respect of the Urban Property Tax was £P823,000 and there were in addition arrears amounting to £P167,000. While collections to 31st December were £P630,000, it is inferred from the December figures, which showed a marked decline that not more than £P30,000 is likely to be collected during the last quarter of the current financial year which ends on 31st March 1948. Including arrears of previous years, therefore, it is expected that the final figure of collections will be £P330,000 (in respect of 1947/48 and previous years), the whole of which will be legally collectable by Local Authorities if the Bill becomes law.

As I explained in paragraph 10 of my [letter of 9th February](#), if this Bill becomes law; the Government of Palestine does not propose to make any special provision for General Grants-in-Aid to Local Authorities, which amounted in 1947/48 to £P238,000 per annum.

Yours sincerely,
(Signed)
(J. Fletcher-Cooke)

Ralph J. Bunche

URBAN PROPERTY TAX (TEMPORARY PROVISIONS) ORDINANCE,
 No. ____ of 1948

AN ORDINANCE TO PROVIDE THAT CERTAIN AMOUNTS DUE IN RESPECT OF URBAN PROPERTY TAX SHALL BE COLLECTABLE BY AND FORM PART OF THE REVENUE OF CERTAIN LOCAL AUTHORITIES AND :TO MAKE CERTAIN AMENDMENTS IN THE URBAN PROPERTY TAX ORDINANCE, 1940. BE IT ENACTED by the High. Commissioner for Palestine, with the Advisory Council thereof:-

1. This Ordinance may cited as the Urban Property Tax (Temporary Provisions) Ordinance, 1948, and shall be read and construed as one with the Urban Property Tax Ordinance, 1940.	Short Title
2. The provisions of section 43 of the Interpretation Ordinance, 1945 shall have effect as respects the principal Ordinance as if the principal Ordinance had been amended by this Ordinance.	No. 42 of 1940 Principal Ordinance deemed to be amended No. 9 1945
3.-(1) It shall be lawful for the council of any municipal corporation or local council the area or part of the area of which is included within the boundaries of any urban area to collect and recover any amount due on the first day of April, 1948, or in respect of the year 1948-49 in respect of urban property tax on any house property or land situated within such urban area: Provided that where the areas or parts of the areas of two or more local authorities are included within the boundaries of any urban area it shall be lawful for the council each of such local authorities to collect and recover any amount due on the first day of April 1948, or in respect of the year 1948-49, only in respect of such part of such urban area as is co-extensive with its area or such other part of such urban area as is co-extensive with its area or such other part of such urban area as the High Commissioner may be order determine. (2) Any amount collected under subsection (1) shall form part of the municipal fund or local council fund, as the case may be.	Collection and recovery of certain urban property tax.
4. The amount due in respect of urban property tax on any house property or land situated within any such urban area as is mentioned in section 3 in respect of the year 1948-49 shall be determined by reference to the valuation list, and the supplementary valuation list, if any, in force at the date of commencement of this Ordinance.	Determination of amount of urban property tax.
5. -(1) For the purpose of, or in connection with, the collection and recovery of the amounts mentioned in section 3- (a) the provisions of section 6 of the principal Ordinance shall have effect as if the words "municipal corporation or local council, as the case may be," were substituted for the word "Government" whatever it appears in subsection (2) thereof, and the word "Government" appearing in the proviso to subsection (4) thereof; (b) the council of any such municipal corporation or local council as is mentioned in section 3- (i) may exercise the following powers:- (A) the powers of the District Commissioner under section 7A of the principal Ordinance; (B) the power of the District Commissioner to grant remissions under section 8 of the principal Ordinance; (ii) shall perform the following duties:- (A) cause the valuation list and supplementary valuation list, if any, to be deposited at the offices of the council and to be open to the inspection of all persons assessed or liable to be assessed; (B) the duty of the District Commissioner under subsection (2) of section 13 of the principal Ordinance. (2) During the year 1948-49- (a) the notice which the owner of house property is required under subsection (1) of section 6A of the principal Ordinance to give to the District Officer administering the area in which such house property is situated shall be given by such owner to such person as is appointed to receive such notice by the council of the municipal corporation or local council which is entitled under section 3 to collect and recover any amount due in respect urban property tax on such house property due on the first day of April, 1948 or in respect of the year 1948-49, and the person so appointed as aforesaid shall, during than year 1948-49, have the power conferred upon the said district Officer by subsection (2) of section 6A of the principal Ordinance; (b) the provisions of subsection (3) of section 6A of the principal Ordinance shall have effect as respects urban property tax due in respect of any property prior to the first day of April, 1949, as if the words "municipal corporation or local council, as the case may be," were substituted for the word "Government" appearing in the proviso thereto; (c) the provisions of section 19A of the principal Ordinance shall have effect as if the word "sixth" were substituted for the word "fifth" appearing therein; (d) the provisions of section 21A of the principal Ordinance shall have effect as if the words "such person as is appointed in that behalf by the council of the municipal corporation or local council, as the case may be," were substituted for the words "District Officer"; (e), the council caw such municipal corporation or local council as is mentioned in section 3 shall have power to determine whether there shall be one or more revision committees or revision appeal commissions, to appoint members and chairmen thereof and to determine the amount of, and pay, their remuneration, and to appoint inspectors of valuation for the areas within which such council is entitled under section 3 to collect and recover any amount due in respect of urban property tax due on the first day of April, 1948, or in respect of the year 1948-49.	Temporary modification of the principal Ordinance.
6. The provisions of this Ordinance shall have effect not withstanding anything contained in the principal Ordinance or any rules made thereunder or in any other Ordinance law.	Provisions of this Ordinance do prevail.
7. This Ordinance shall come into force on the first day of April, 1948.	Commencement.

OBJECTS AND REASONS

It is anticipated that during the year 1948-49, the councils of municipal corporations and local councils will have to carry out nary of the functions which would normally be carried cut by Government, and consequently they will need additional sources of revenue. On the other hand, they may not be able to obtain from Government the grants-in-aid which they have received in the past.

Government has therefore decided to enable such councils to collect and recover arrears of urban property tax remaining due on the first day of April 1948, and urban property tax due in respect of the year 1948-49, and this draft Ordinance is designed to give effect to that decision. Arrangements will be made for the handing over to such councils of the records relating to the house property and land in respect of which they will be entitled to collect and recover urban property tax, and, such councils will be empowered to do such acts as maybe necessary to ensure that those records will be kept up to date. Furthermore, in order that it will not be necessary to prepare during the year 1948-49 valuation lists to replace those valuation lists which on the first day of April, 1949, will have been in force for five years, the period of validity of valuation lists has been extended from five to six years.

L. B. Gibson
Attorney General.

30th January, 1948.
(F/Tax/4/40)

[Document in PDF format](#)