

## CHAPTER – 9 REVENUE RECEIPTS

### 9.1 General

9.1.1 Public Works revenue is assessed and realised in accordance with the rules and orders made by or under the authority of Government. When collected, it should be brought to account in accordance with the classification prescribed in List of Major and Minor Heads of Accounts.

9.1.2 Consistently with the provisions of the rules in this Chapter, the detailed rules of accounting procedure relating to Revenue receipts are prescribed locally by authorities of the Public Works Department. See also paragraphs 32, 40 and 51 of the Central Public Works Department Code.

9.1.3 Distinction must be made between receipts which are finally creditable to Government as revenue of the Department and transactions which represent merely such cash or other value received as has either to be eventually repaid or to be utilised to meet the cost of some service to be rendered or already rendered, or to be taken in reduction of expenditure previously incurred. Receipts of the latter class are creditable to the debt, deposit, remittance or expenditure head concerned and are not subject to the rules of this Chapter. See also Statement E of Appendix 2.

Note: For appropriation of unclaimed balances lying in the Deposit Accounts, see paragraph 15.4.1.

9.1.4 (a) It is not permissible to take credit for revenue to the head concerned until it is realised, but Divisional officers are responsible that demands are made as revenue falls due, that steps are taken with a view to effect prompt realisation and that proper records are kept to show, in respect of all items of revenue recurring or non-recurring, the assessments made, the progress of recovery and the outstanding debts due to Governments.

Note 1: The object of this rule is that all classes of revenue, whether accruing from property of any kind, from leases of rights and concessions (e.g. rights for fishing, grazing etc. and use of water power), or from any other source are properly watched.

Note 2: As an exception to the general rule, the following may be credited as revenue before realisation:-

- (i) Supervision charges on sales of stock on credit.
- (ii) Sale proceeds of such articles of tools and plant as are creditable to the minor head:- 800 "Other Receipts" below the concerned functional Major Sub-Major Heads of Account by debit to Sub-head "Miscellaneous Public Work Advances" under the Minor Head "799- Suspense" below the functional Major/Sub-Major Heads of Account vide paragraph 7.3.13.
- (b) The recovery of all debts due to Government should receive the special attention of the Divisional Officer and no debt should be remitted or written off except under the orders of competent authority.

## **9.2 Irrigation Revenue**

9.2.1 Revenue from irrigation etc. works under the administration of the Public Works Department will be realised in the same manner as applicable to other revenue receipts of the Divisional Office.

## **9.3 Licence Fee of Buildings & Lands**

### **Demands and Recoveries**

- (a) From Private Persons

9.3.1 When a Public building, land or other property is licensed to a person not in the service of Government, the full assessed Licence fee must be recovered in advance.

- (b) From Government Servants

9.3.2 The recovery of Licence fee from Government servants, occupying residential buildings (which can be provided on payment of licence fee) will be made either in cash or by deduction from their pay bills through their disbursing officer concerned.

Note 1: Where Government residences are meant for allotment to the staff of a single Office/Department, the administrative Ministry concerned will make necessary arrangements for the allotment and the recovery of Licence Fees of such residences. Where, however, the residences under the control of the Central Public Works Department are to be allotted commonly to the staff of several Offices/Departments and there is no regional office of the Directorate of Estates, the Divisional Officer of the

CPWD Division in charge of the residences will continue to make the allotment and recovery of Licence fee of such residences.

Note 2: Amounts due on account of the hire of Government Furniture and on account of the value of article of furniture and other Government Property lost or damaged by a Government servant as well as any other dues for which a Government servant may be liable to Government in respect of the residence allotted to him may also be recovered either in cash or by deduction from pay bills in accordance with the rule in this paragraph.

Note 3: The system of direct recovery in cash from employees of other divisions and departments is ordinarily not suitable when the licence fees recoverable is dependent upon the rate of pay of the occupant.

Note 4: The assessment and recovery of licence fees pertaining to buildings under the Directorate of Estates at New Delhi and its regional offices are governed by special procedure prescribed by Government.

9.3.3 Where licence fee is recoverable in cash, a bill in suitable form should be sent to the licensee on or before the last day of each month. The Licensee should be required to pay the licence fees before the expiry of the following month.

9.3.4 When recoveries of Licence fees are to be effected through a disbursing officer, a demand in Form 48, Statement of Licence Fees recoverable in cash or by deduction from Pay Bills, should be sent, in duplicate, before the close of each month to that officer who will make the necessary recoveries and return one copy of the statement, duly completed.

Note 1: In cases where the PW Officer-in-charge of the Government building and disbursing officers who are responsible for recovery of licence fee are not rendering accounts to the same Accounts Office, the P.W. Officer will issue the licence fee Demand Statement (Form 48) in triplicate and the disbursing officer will attach one copy with the pay bill and return the second to the Divisional Officer duly certified to the effect that the recovery has been made and the emoluments are correct. The third copy will be retained as office copy.

Note 2: In cases of cash recovery from Government Servants, the Divisional Office should obtain from the disbursing officers, a certified statement in Form 48.

Note 3: Form 48 will also include any amount due on account of hire of Government furniture, the value of articles of furniture and other Government property lost or damaged by a Government servant as well as any other dues for which a Government servant may be liable to Government in respect of residence allotted to him, vide Note 1 below paragraph 9.3.2.

Note 4: Disbursing Officers are required to recover the amounts specified by the Divisional Officer, without prior reference to the licensee and to note on the statement of licence fees the particulars of emoluments, and of change therein in respect of Government servants whose licence fee is limited to a percentage of such emoluments.

Note 5: If the licence fee recoverable from a Government servant is limited to a certain percentage of his emoluments, and such emoluments are changed retrospectively, the rate at which licence fee is recovered should also be changed retrospectively.

Note 6: If the Divisional Accountant becomes aware that the emoluments of a Government servant had been changed in respect of a period during which he occupied a Government residence at some other station or stations, he should see that the intimation of the change of emoluments is given to the divisional Officers of the stations concerned to enable them to recover the arrears of licence fee, where necessary.

9.3.5 Amounts recovered by deduction from Pay Bills of Government servants under the Payment control of Civil Pay and Accounts Officer will not be passed on to the Divisional Officer for adjustment in the Divisional Accounts. The Pay and Accounts Officer in whose circle, the recoveries are made will credit the revenue heads (and canals, etc.) concerned direct. The Divisional Officer should, however, credit the accounts of the Licensees in the Register of Licence Fees of buildings and lands, Form 49 (paragraph 9.5.5) with the recoveries as certified by the Drawing and Disbursing Officer concerned.

9.3.6 Although individual-wise account is maintained in the cases of licence fee (Rent) for Government quarters forming part of General Pool accommodation (managed by the Director of Estates) no monetary settlement is to be effected. Such recoveries are required to be booked directly against the final head 0216 - Housing in the books of Posts/Telecommunications/Railways.

The receipts relating to Civil Estimates under the Major Head “0216 – Housing” shall be adjusted to the final head in the books of the Defence Department without carrying out any monetary settlement thereof with the Divisional Officers.

The accounts consolidating authority of the above mentioned Ministries/Departments shall render monthly statement of receipts including progressive figures for that financial year to the Chief Controller of Accounts of the Ministry of Urban Development and Poverty Alleviation and also furnish figures under this head to the computer cell of C.G.A’s organization while submitting the monthly accounts.

Budget forecast for the receipt under the Major Head “0216 – Housing” based on actuals etc has to be furnished by Postal Board, Telecom Board and F.A. Defence etc to the Ministry of Urban Development in connection with the preparation of Budget Estimates/Revised Estimates etc.

9.3.7 The amounts representing recoveries of licence fees relating to a State Government which are realised by the Divisional Officer should be remitted in accordance with Chapter 17.

9.3.8 A Licensee who is in receipt of a pension from Government should be treated as a private individual for the purpose of these rules and the payment will be made in cash only.

9.3.9 In the case of vacation of quarter by a Government servant before the last day of the month, owing to his departure on transfer, leave or retirement, the demand for the licence fees for the broken period should be made at once, so that the amount due may be recovered before his departure.

9.3.10 Pending orders on a representation against the Divisional Officer’s assessment, the amount assessed must be paid by licensee on demand. Should the representation prove successful, the excess amount charged should be adjusted as soon as orders are issued, by a reduction in the assessment of a subsequent month, or if this is not practicable or convenient, by an actual repayment.

#### **9.4 Refunds and Remissions**

9.4.1 Remission of irrigation revenue allowed before collection should be treated as reductions of demands, Cash repayments of revenue actually collected and brought to account under the Major Heads 0059 Public Works, 0216 Housing, 1054 Roads and

Bridges or Irrigation Major heads concerned should be accounted for under the minor head “900 Deduct-Refunds” of the Revenue head concerned. All other refunds of revenue, such as refunds of licence fees adjusted by short assessment or short realization in a subsequent month and repayments of “Receipts and Recoveries on Capital Account” (Appendix 2) should be taken in reduction of the receipts under the heads concerned.

9.4.2 Before a remission or refund of any kind, otherwise in order, is allowed, the original demand or realisation, as the case may be, should be traced and a reference to the remission or repayment should be so recorded against the original entry in the cash book and other accounts as to make the entertainment of a double or erroneous claim impossible. A certificate of such a note having been made should be given in all vouchers for refunds. Any acknowledgement previously granted should be taken back if possible and destroyed, a note of the repayment being, in any case, recorded on the counterfoil of the receipt.

Note: See paragraph 15.5.2 for refund of deposits.

## **9.5 ACCOUNTING PROCEDURE**

### **I. Registers of Revenue**

9.5.1 Save as provided in paragraph 9.5.4, all revenue receipts of the division should be classified and abstracted in a Register of Revenue, Form 46, maintained in the Divisional Office. The receipts relating to each project, for which a separate capital account is kept should be registered separately and all the other receipts pertaining to a major head should be booked collectively.

9.5.2 In this register a column is opened for each minor head of revenue (and detailed heads subordinate to it) other than “Deduct Refunds”, for which a single deduction is made from the total revenue of the month, the details of the amounts making up the figure to be deducted being recorded in a separate Register of Refunds of Revenue, which should also be in Form 46.

Note: For accounting procedure in respect of refunds of licence fee realized, see note below paragraph 9.5.7.

9.5.3 All receipts and recoveries on capital account should also be abstracted in Form 46 wherein separate record should be kept in respect of programme minor head

concerned or the minor head “800 - Other Expenditure” under each major head of expenditure. A separate account may be kept for each Project, the expenditure relating to which is classified in accounts separately. Receipts adjustable under the minor head “103 - Recovery of percentage charges” or “800 - other receipts” (according as the recoveries are made by a P.W. Division or an Irrigation Division) will appear in the Register of Revenue for the major head concerned under three distinct detailed heads, namely (1) Establishment recoveries, (2) Tools and Plant recoveries and (3) Other recoveries.

9.5.4 In respect of Licence Fees receipts of the buildings and special services for which a subsidiary account is kept in Form 49 (see paragraphs 9.5.5 and 9.5.7) it is not necessary to make entries in detail in any of the registers in Form 46. The monthly totals only (excluding the amounts realized under the Account Circles referred to in paragraph 9.3.5) should be transferred from Form 49 to Form 46.

## **II. Registers of Licence Fees**

9.5.5 A register in Form 49 (Register of Licence fees of Buildings and Lands) should be maintained in the Divisional Office to show the monthly assessments, realizations and balances of rents, of all residential buildings (including office buildings used as residences) and of such other buildings, lands, etc as may be available for being licensed. No building other than those falling within the categories specified in clauses (1) and (2) of Rule 2 of Appendix 2 to the Account Code for Accountants General extracted below or site should be excluded from this register on the plea that it is Intended to be occupied licence fee free or is not likely to be licensed, but all such buildings may be grouped separately.

“(1)residences for use of the President or the Head of a local Administration;  
(2) buildings which are situated within the precincts of jails, hospitals, police lines, tehsils, educational institutions provided that they are allotted free under the orders of Government to Government Servants who are required to occupy particular houses in order to ensure the proper performance of their duties”

Note1: Private buildings which have been hired for use as residences or are used as such, wholly or in part should be included in this register.

Note 2: Licence fee free quarters for Group'D' employees need not be entered in this register except when allotted to persons from whom licence fees is recoverable. Nor

need rest-houses and other travellers' bungalows be entered, although licence fees receipts from them are also treated as licence fees of buildings which are required to be booked under the heads "Rent/licence fees"

Note 3: On closing the account of a work involving expenditure on the construction, acquisition or equipment of a building intended to be used as a residence, or expenditure on additions or alterations to an existing residential building, the Divisional Accountant should see:-

- (i) That if it is a new building, it is entered in the Register of Licence Fees of Buildings and Land
- (ii) That steps are taken to obtain the orders of competent authority to assess or revise the licence fee, as the case may be and
- (iii) That the correct capital cost of the building is noted in the register of buildings referred to in paragraph 138 of the Central Public Works Department Code.

Note 4: Note 3 applies also to expenditure on the provision of special services in connection with residential buildings such as furniture etc for which rent is charged separately.

Note 5: If a building is actually occupied prior to closing the accounts of expenditure on its construction, acquisition or equipment, licence fee is nevertheless chargeable from the date of occupancy and should, therefore, be fixed provisionally with the sanction of competent authority.

Note 6: If under the Supplementary Rules issued under the relevant Fundamental Rules, or under other financial rules, the standard licence fees as well as the allowance fixed for maintenance and repairs are subject to a periodical review, the Divisional Accountant should see that they are punctually reviewed and necessary revisions carried out in accordance with the prescribed rules and procedure. The Licence fee for Government residential buildings shall be revised once in three years by the Directorate of Estates. (See S.R. 324 and F.R. 45-A)

9.5.6 The entries relating to the assessment of licence fee should be made month by month and for this purpose arrangements should be made to obtain timely intimation (with full particulars) of all changes during the duration of licensee from the subordinates in charge of the properties.



Note: If any property is occupied free of licence fees or if the rate for any month's assessment is neither the standard rate nor the 10 per cent or 7 ½ per cent, as the case may be of the occupant's emoluments, a suitable remark (quoting authority) should be made against the entry relating to it. If a Government servant is not entitled to but is actually allowed the benefit of the 10 per cent or 7 ½ per cent concession [recognized by Fundamental Rule 45-A-IV(b) or 45-B-IV(b)] a reference to the specific orders of Government allowing it should be recorded in the remarks column of the Register of Licence fee.

9.5.7 The total realizations of each month should be abstracted at the foot of the register, so as to show separately (1) cash realized in the division (2) recoveries by Disbursing and Accounts Officers of the Defence, Post and Telecommunications and Railway Accounts Circles adjusted in the divisional accounts (paragraph 9.3.6) and (3) recoveries under the Account Circles referred to in paragraph 9.3.5 for both licence fee of buildings and rents of land, etc. If any buildings are provided with special services, such as furniture, etc. for which licence fee is charged separately, the account of licence fees charged for each building in respect of these services should be kept separate from that of the licence fees of building itself, and in the abstract also the realisation on account of each of these services should be shown separately.

Note: Cash refunds of licence fees realized should be shown separately as minus realizations in the Register of Licence Fee of Buildings and Lands, and thus distinguished from the gross realization of licence fees.