



# THE ASSAM GAZETTE

অসাধাৰণ

EXTRAORDINARY

প্ৰাপ্ত কৰ্তৃত্বৰ দ্বাৰা প্ৰকাশিত

PUBLISHED BY THE AUTHORITY

নং 574 দিশপুৰ, বৃহস্পতিবাৰ, 6 ডিচেম্বৰ, 2018, 15 আঘোণ, 1940 (শক)  
No. 574 Dispur, Thursday, 6th December, 2018, 15th Agrahayana, 1940 (S.E.)

GOVERNMENT OF ASSAM  
ORDERS BY THE GOVERNOR  
FINANCE (ECONOMIC AFFAIRS) DEPARTMENT

## NOTIFICATION

The 9th November, 2018

No.FEA (SFC) 179/2017/74.- In pursuance of the provisions of Article 243-I and 243-Y of the Constitution of India read with the provisions of Section 2(1) of the Finance Commission (Miscellaneous Provisions) Act, 1995, the Governor of Assam is pleased to constitute the Sixth Assam State Finance Commission consisting of Smti. T.Y. Das, IAS (Retd.), former Chief Secretary of Assam as the Chairperson and the following other members: -

1.	The Senior Most Secretary, Panchayat & Rural Development Department.	Member
2.	The Senior Most Secretary, Urban Development Department.	Member
3.	One Non Official Member to be nominated from Academia.	Member
4.	The Commissioner & Secretary, Finance Department.	Member Secretary
5.	The Senior Most Secretary, Guwahati Development Department.	Special Invitee

2. The Commission shall make recommendation as to the following matters:

(a) The principles, which should govern-

- i) the distribution between the State of Assam and the Panchayats and Municipalities of the net proceeds of the taxes and duties, levied and collected by the State;

- ii) the determination of the taxes, duties, tolls and fees, which may be assigned to, or appropriated by, the Panchayats and Municipalities;
- iii) the grants-in-aid to the Panchayats/Municipalities from the Consolidated Fund of the State;

(b) The measures needed to improve the financial position of the Panchayats and Municipalities with special references to :-

- i) the potential for Local Governments to raise funds from financial institutions and the market, and to suggest a mechanism and framework for realizing the potential;
- ii) improving the quality of upkeep of assets owned by Local Governments as well as those transferred to Local Governments;
- iii) improving the financial position of the Panchayats and Municipalities with special emphasis on rationalization of taxes and revenues and user charges collected by Local Governments with innovative methods.
- iv) achieving economy and efficiency in expenditure by Local Governments;
- v) providing incentives for higher mobilization of own resources by the Local Governments;
- vi) maintaining a proper fiscal data base relating to Local Governments;
- vii) putting in place measures required for improving the capacity of financial management by Local Governments;
- viii) improving monitoring of the fiscal performance of the Local Governments;
- ix) improving the measures for quality of service delivery of Local Governments in respect of State Government as well as Local Government programmes;
- x) Examine the feasibility and make recommendations on creation of urban infrastructure and other civic amenities by the Urban Local Bodies through Public-Private partnership and exploring avenues of viability gap funding.

(c) Any other matter referred to the State Finance Commission by the Governor in the interests of sound financial position of the Panchayats and Municipalities.

3. In making its recommendations the Commission shall have regard, among other Considerations, to: -

- i) the objective of balancing the receipts and expenditure on revenue account of both the Local Bodies as a whole and the State Government and each Local Body;
- ii) the resources of State Government, the demands thereon, in particular, the expenditure of the State on maintaining law and order, civil administration, pension, debt servicing including the debt servicing on behalf of Local Bodies and other committed expenditure and need to generate adequate surplus on revenue account for capital outlay and the commitment for maintaining fiscal targets as per Assam FRBM (Amendment) Act 2011;
- iii) the revenue of the resources of the Local Bodies for the five years commencing on 1st April, 2020 on the basis of the level of collection made during 2016-17 from taxes, duties, tolls, fees, cess etc. levied by the them ;
- iv) The impact of the GST , including payment of compensation for possible loss of revenue for 5 years and abolition of a number of cesse , earmarking thereof

for compensation and other structural reforms programme , on the finances of Centre and States;

- v) The commission may consider proposing measurable performance -based incentives for Local Bodies and councils.

4. In making its recommendations on the various matters aforesaid, the Commission shall adopt the population figures of that Census for which PRI-wise and ULB-wise figures are available in all cases where population is regarded as a factor for determination of devolution of taxes and duties and grants-in-aid.

5. The Commission shall indicate the basis on which it has arrived at its finding and make available the Local Body-wise estimates of receipts and expenditure.

6. The Commission shall prepare its report on the basis of the Templates of the 13th Finance Commission of Government of India, with such modifications as may be necessary.

7. While making assessment of the resources of the Local Governments, the Commission shall also make recommendation devolution and grant-in-aid for the Local Bodies of the three Autonomous Councils under the Sixth Schedule.

8. The Commission shall make its report available to the Governor of Assam by 30th October, 2019 on each of the matters aforesaid, covering a period of five years commencing on the 1st April, 2020.

**RAJIV KUMAR BORA,**

Additional Chief Secretary to the Government of Assam,  
Finance Department.