



KARNATAKA LEGISLATIVE COUNCIL
ONE HUNDRED AND FIFTY NINTH SESSION

THE KARNATAKA TOWN AND COUNTRY PLANNING (AMENDMENT) BILL, 2026
(LA Bill No. 15 of 2026)
(As passed by the Karnataka Legislative Assembly)

A Bill further to amend the Karnataka Town and Country Planning Act, 1961.

Whereas it is expedient further to amend the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963) for the purposes hereinafter appearing:

Be it enacted by the Karnataka State Legislature in the seventy seventh year of the Republic of India, as follows:

1. Short title and commencement.-(1) This Act may be called the Karnataka Town and Country Planning (Amendment) Act, 2026.

(2) It shall come into force at once.

2. Insertion of new section 18-C.- In the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963), after section 18-B, the following new section shall be inserted, with effect from 22nd day of November, 2019, namely:-

“18-C. Levy of penalty for layouts where the development of layouts is not completed.- (1) In case of layouts approved from 2005 onwards and prior to the date of commencement of the Karnataka Town and Country Planning (Amendment) Act, 2015 (Karnataka Act 38 of 2015), wherever the development works have not been completed, the Planning authority shall grant final layout approval and release the remaining sites after levying a penalty of three percent (3%) of the guidance value of the plots in the layout which are to be released by the Planning authority for each annual period from the date of commencement of the Karnataka Town and Country Planning (Amendment) Act, 2026, for completion of development works.

(2) Notwithstanding anything contained in any judgement, decree or order of any court, tribunal or other authority to the contrary, anything done or any action taken or purporting to have been done or taken including any

notices or orders issued and all proceedings held for the levy, assessment and collection of any penalty from any person for release of sites in the layouts approved by the planning authorities prior to the date commencement of the Karnataka Town and Country Planning (Amendment) Act, 2015 (Karnataka Act 38 of 2015) shall deemed to be valid and effective as if such levy, assessment and collection of penalty has been made, taken or done under the Principal Act, as amended by the Karnataka Town and Country Planning (Amendment) Act, 2026 and accordingly,-

- (a) all acts, proceedings or things done or taken by the planning authority or any of its officer in connection with the levy assessment or collection of such penalty for all purposes be deemed to be and to have always been done or taken in accordance with law;
- (b) no suit or other proceedings shall be maintained or continued in any court or tribunal or before any authority for the refund of any such penalty; and
- (c) no court shall enforce any decree or order to direct the refund of any such penalty.”

STATEMENT OF OBJECTS AND REASONS
(As appended to at the time of introduction)

It is considered necessary further to amend the Karnataka Town and Country Planning Act, 1961 (Karnataka Act 11 of 1963) to enable the provision to levy penalty for non-completion of development of layouts approved from 2005 onwards and prior to the date of commencement of the Karnataka Town and Country Planning (Amendment) Act, 2015. Penalty is being levied by the Planning Authorities in accordance with the Government directions vide Notification No.UDD:60: MYAAPRA 2018, dated:22.11.2018 for not completing the development works in the approved layouts and it is found necessary to bring it under the statutory provisions and also validate the penalty already levied or collected.

Hence, the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure at this stage.

Dr. YATHINDRA SIDDARAMAIAH
Minister for Urban Development

JYOTI
Secretary (I/c)
Karnataka Legislative Council