GOVERNMENT OF MIZORAM FINANCE DEPARTMENT

ORDER

Dated the **304**September, 2011

No.G.11021/13/93-FCC: In pursuance of sub-section (1) of section 3 of the Mizoram Finance Commission Act, 2010 (Act No.17 of 2010), the Governor of Mizoram is pleased to constitute a Mizoram Finance Commission consisting of Pu Van Hela Pachuau, Chief Secretary to the Government of Mizoram as the Chairman (Part-time) and Pu Lalthansanga, Secretary to the Government of Mizoram, Finance Department as Member Secretary (Part-time).

- 2. The Chairman and the Member Secretary shall assume Office during the first week of November, 2011, and shall hold office upto the 30th day of November, 2012.
- 3. The Commission shall make the recommendations as to the following matters, namely:-
 - (1) the principles which should govern-
 - (i) the distribution between the state and the Village Councils, Aizawl Municipal Council and the Autonomous District Councils of the net proceeds of the taxes, duties, tolls and fees leviable by the State, which may be divided between them to enable these bodies to perform the

functions assigned, and which may be assigned to it under any laws in force or orders, and the allocation between the Village Councils, Aizawl Municipal Council and the Autonomous District Councils at all levels of their respective shares of such proceeds;

- (ii) the determination of the taxes, duties, tolls and fees which may be assigned to, or appropriated by, the Village Councils, Aizawl Municipal Council and the Autonomous District Councils;
- (iii) the grant-in-aid to the Village Councils, Aizawl Municipal Council and the Autonomous District Councils from the Consolidated Fund of Mizoram;
- (2) the measures needed to improve the financial position of the Village Councils, Aizawl Municipal Council and the Autonomous District Councils;
- 4. In making its recommendations, the Commission shall have regard, among other considerations, to-
 - (i) the resources of the State Government, for five years commencing on 1st April 2013, on the basis of levels of taxation and non-tax revenues likely to be reached at the end of 2012-13;
 - (ii) the demands on the resources of the State Government, in particular, on account of civil administration, keeping of law and order, debt servicing and other committed expenditure and liabilities;

- (iii) the objectives of State's fiscal consolidation roadmap recommended by the Thirteenth Finance Commission, which bind the management of public finance of Mizoram;
- (iv) the functions which may be transferred to the Village Councils, Aizawl Municipal Council and the Autonomous District Councils for the coming five years with effect from 1st April, 2013; and the manner in which the existing functionaries of the State Government, who are at the time of making recommendations are performing the functions recommended for transfer to the local bodies, shall be transferred to the Village Councils, Aizawl Municipal Council and the Autonomous District Councils;
- (v) the taxation efforts of the State Government in relation to levy of all types of property tax by the local bodies for additional resource mobilization to enhance the financial independence and capacity of the local bodies to perform the functions assigned to them;
- (vi) the need to enhance disaster management at the local levels so as to avoid minor disasters such as landslips, etc at the local levels;
- (vii) the need to manage ecology, environment and climate change at the local levels;
- (viii) the need to improve the quality of public expenditure to obtain better outputs and outcomes through innovative monitoring and appraisal system at the local levels;
- 5. In making its recommendations on various matters, the Commission shall take the base of population figures as of 2001, in all

such cases where population is a factor for determination of devolution of taxes and duties and grants-in-aids.

- 6. The Commission shall indicate the basis on which it has arrived at its findings and make available the estimates of receipts and expenditure of the State Government and each of the local bodies.
- 7. The Commission shall make its report available by the 30th day of November, 2012, covering the period of five years commencing on the 1st day of April, 2013.

Dis enlations

(VAKKOM PURUSH OTHAMAN)
Governor

Mizoram, Adama

Memo No.G.11021/13/93-FCC: Copy to:

Dated the <u>30</u> September, 2011

- 1. Secretary to the Governor
- 2. PS to Chief Minister
- 3. PS to Speaker/ Deputy Speaker
- 4. All PS to all Minister/ Minister of State/ Parliamentary Secretary
- 5. PPS to Chief Secretary, Government of Mizoram
- 6. All Administrative Departments
- 7. Accountant General (Audit), Dinthar, Aizawl, Mizoram
- 8. Secretary, Mizoram Legislative Assembly
- 9. All the Deputy Commissioners
- 10. All Head of Departments.
- 11. Chief Executive Officer, Aizawl Municipal Council
- 12. Executive Secretary, LADC/MADC/CADC
- 13. Development Officer, SHDC
- 14. Controller, Printing & Stationeries with 6 (six) spare copies for immediate publication in the Official Gazette Extraordinary issue.
- 15. Guard File

(LALMALSAWMA)
Finance Secretary

Government of Mizoram