

Chapter - 5

Chapter - V

WAYS AND MEANS TO AUGMENT PANCHAYAT FINANCES

5.1 Ways and Means to Augment Finances/Revenues

The following are the major heads of ways and means to augment Panchayat Finances especially revenue.

1. Contributions of People

Panchayats should collect the per people fund that will increase revenue. per people fund collected will be used for every social work. Finance provided by the government grants, people's fund makes a good and excellent work and raising revenues..

2. Grants

Quota of the grant is most important issue that for revenue increase. quota of the grant in more percentage to total revenue and the use of full the grant for development work should be increased.

3. Donate the Labour Force

In Village Panchayats, people should gather and donate the labour force then the social works (road, sanitation, water problem, building of school, primary health centre) purpose of these grants will save the manpower expenditure, and also turn the other allied activities that will decrease expenditure of the Panchayat.

4. Increase in Tax Payers

Village Panchayats collect the number of tax from the people. Which tax rate is to be increased that depends upon village Panchayats. In total revenue with the participation of a few tax payers is expected then tax rate must be increased. The number of tax payers should be increased, which helps in increasing revenue mobilisation.

5. New Taxes

New taxes which are not collected or not levied by village Panchayats, these taxes should be levied on the people and collect it. Widening the tax base requires a series of steps including introduction of new taxes, which revenue also increases.

6. Donations from Politicians

Village Panchayats should collect donations and special funds from the Panchayat Samiti members of area, Zilla Parishad members of area and Members of Parliament. Funds and grants, donations towards the Village Panchayats help in improving their resource position.