Money Bill

A money bill deals with financial issues such as taxation, bills involving public expenditure, governmental financial obligations, or expenditures from the Consolidated Fund of India. There are various factors that differentiate a normal bill from a money bill. We will discuss the money bill in the upcoming section.

Money Bill In India

Money Bills, in contrast with Ordinary Bills, are presented only in the Lok Sabha on the recommendation of the President, which itself is a must. The money bill in India can be described as:

- The money bill is alluded to as a government bill because of the fact that it was presented in the Lok Sabha on the President's recommendation.
- It must be noted that only the Minister begins by introducing government bills.
- After the Lok Sabha passes the bill, it is referred to as the Rajya Sabha, which has restricted authority. It does not have the power to deny or alter the bill.
- Because there is no potential disagreement, there is no clause for a joint session on money bills.
- The bill is certified as a money bill by the Lok Sabha speaker, and his final decision prevails in this regard.
- When a bill is approved by both houses, the President must sign it. He can give or confiscate his assent, but he cannot send a bill back for reevaluation.
- The bill becomes an act after the President's acceptance and is published in the 'Indian Statute Book'.

Types Of Money Bill

The money bill in India is divided into two types- the Financial Bill and the Appropriation Bill. It is discussed in detail in the section below:

- **Financial Bill:** The Financial Bill is a bill introduced in the Lower House each year, shortly followed by the general budget, that relates to financial matters like legislative changes to tax laws. It is presented to Parliament when the Annual Financial Statement is introduced.
- **Appropriation Bill:** This bill permits allocation from the Consolidated Fund to the relevant grants. When the House approves a grant, this bill sanctions the spending and funds needed to fulfil the grant.

How Is A Bill Established As A Money Bill In India?

There are a number of provisions that lead to a bill being categorised as a money bill. From the imposition of tax to the regulation of money lending by the GOI. The following provisions decide whether a bill is a money bill or not:

- Whatever tax is imposed, repealed, remitted, modified, or enforced.
- The Government of India regulates the lending of money.
- Payments into or withdrawals from the Consolidated Fund of India (CFI) or the Contingency Fund of India (CFI).
- Allocation of funds from the Contingency Fund of India (CFI).
- Declaration or increment in the magnitude of any CFI-charged expense.
- Invoice of funds on behest of the CFI or the Indian public account, safekeeping or transmission of such funds, or audit/inspection of the Union's accounts or any state's accounts.

Article 110 Of Indian Constitution

Article 110 of the Constitution defines a money bill as a draft proposed, which primarily contains provisions that deal with all or any of the topics stated therein.

- Whenever there is a concern about whether a particular bill is a money bill or not, Article 110(3) states that the Speaker's decision is final.
- The speaker is not necessarily obligated to refer to anyone when determining what kind of bill is a money bill.
- Article 110(4) states that when a bill is presented to the Rajya Sabha and the President of India for his acceptance, an acknowledgment by the Speaker implying that it is a money bill is permitted.

When Is A Bill Not Considered A Money Bill in India ?

The Article 110 also specifies when a bill is not a money bill. The following are the provisions listed:

- Imposition of financial penalties or other monetary sanctions.
- Licence fees or charges for the services rendered are demanded or paid.
- Any tax placed, eradicated, rebated, altered, or governed for local purposes by a local authority or agency.

Difference Between Money Bill And Financial Bill

Money bills are governed by Article 110 of the Indian Constitution while Article 117 of the Indian Constitution deals with financial bills. The main points highlighting the difference between money bill and financial bill is explained in detail in the table given below:

Money Bill- The Speaker has the power to decide if a particular bill is a money bill. All money bills are, at the core, Financial Bills. The Rajya Sabha cannot dismiss money bills. Moreover, the Rajya Sabha's guidelines on a money bill are not binding on the Council of States. A money bill must be approved or rejected by the President. A joint sitting of the two Houses of Parliament is not possible.

Financial Bill- The Speaker's approval is not required for the Financial Bills. All Financial Bills cannot be considered money bills. The Rajya Sabha has the authority to amend or even dismiss a Financial Bill. The President might even advise that the Financial Bill be reassessed and then reverted back to the House. In the event of a tie, the President may call a joint session.