

1. MENTION THE RELATIVE POSITIONS OF THE TWO HOUSES OF PARLIAMENT AND OF A STATE LEGISLATURE REGARDING MONEY BILLS.

A bill is deemed to be a 'Money Bill' according to Article 110 if it contains only provision dealing with all or any of the following.

- The imposition, abolition, alteration of any tax;
- The regulation of borrowing money by the Government;
- The custody of the Consolidated Fund and Contingency Fund of India;
- The appropriation of money out of the Consolidated Fund of India;
- The declaring of any expenditure to be expenditure charged on the Consolidated Fund of India
- The receipt of money on account of the consolidated fund of India or Public Account of India
- Any matter incidental to any of these matters

If any question arises whether a Bill is a Money Bill or not, the decision of the Speaker of the Lok Sabha thereon shall be final when a Bill is transmitted to the Council of State or is presented for the assent of the President, it shall bear the endorsement of the Speaker that it is a money bill. It is one of the special powers of the Speaker.

The Constitution lays down special provision for the passing of money bill in the Parliament. A Money Bill can only be introduced in Lok Sabha with prior recommendation of the President. It can only be introduced by a minister.

After the passage of a Money Bill in the Lok Sabha it is transmitted to the Rajya Sabha for its consideration. The Rajya Sabha cannot reject or amend a money bill. It can only make the recommendations.

The Lok Sabha can either accept or reject all or any of the recommendations of the Rajya Sabha. On acceptance, the bill will be passed in modified form and on rejection the bill is deemed to have passed by both the Houses in the original form as it was passed by it earlier.

If Rajya Sabha does not return the bill to the Lok Sabha within 14 days, the bill is deemed to have been passed by both the Houses in the form originally passed by the Lok Sabha. The Lok Sabha enjoys more power than the Rajya Sabha whereas both the Houses enjoy equal powers in case of ordinary bills.