

PUNJAB VIDHAN SABHA

Bill No. 25-PLA-2017

THE INDIAN STAMP (PUNJAB AMENDMENT) BILL, 2017

A

BILL

further to amend the Indian Stamp Act, 1899, in its application to the State of Punjab.

BE it enacted by the Legislature of the State of Punjab in the Sixty-eighth Year of the Republic of India as follows :—

1. (1) This Act may be called the Indian Stamp (Punjab Amendment) Act, 2017.

Short title commencement and cessation.

(2) It shall be deemed to have come into force with effect from the 28th day of August, 2017.

(3) It shall cease to operate with effect from the 1st day of April, 2019 and from the said date, the amendments carried out by way of Punjab Act. No 11 of 2005 shall again come into force.

2. In the Indian Stamp Act, 1899, (hereinafter referred to as the principal Act), in its application to the State of Punjab, in section 2, in clause (10), the words, figure and letter “Schedule 1-B or by” shall be omitted.

Amendment of section 2 of Central Act 2 of 1899.

3. In the principal Act, section 3-C shall be omitted.

Omission of section 3-C of Central Act 2 of 1899.

4. In the principal Act, in section 9, in sub-section (1), in clause (a), in the proviso, the word, figure, sign and letter “, Schedule 1-B” shall be omitted up to the 31st day of March, 2019 and thereafter, the word, figure, sign and letter so omitted, shall again come into force with effect from the 1st day of April, 2019.

Amendment of section 9 of Central Act 2 of 1899.

5. In the principal Act, Schedule 1-B shall be omitted.

Omission of Schedule 1-B of Central Act 2 of 1899.

6. (1) The Indian Stamp (Punjab Amendment) Ordinance, 2017 (Punjab Ordinance No. 5 of 2017), is hereby repealed.

Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the Ordinance referred to sub-section (1), shall be deemed to have been done or taken under the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Stamp duty @ 5% and Additional Stamp Duty @ 1% is levied on the sale/transfer of immovable property, under the Indian Stamp Act, 1899 (for Punjab) and the annexed Schedule thereto. However for the Urban Areas, Social Security Fund @ 3% is also charged. Hence the total stamp duty charges in Urban Areas is 9% whereas in Rural Area it is 6%.

2. In order to give some relief to the buyers of property in Urban Areas, it was announced in the Budget Session that the Stamp Duty on the registration of property shall be reduced from 9% to 6%. Accordingly, it has been decided that the Additional Stamp Duty being levied as Social Security Fund @ 3% in the Urban Areas may be exempted, up to 31st March, 2019.

3. Keeping in view the reasons in para 1 & 2 above, it has become necessary to amend the provisions of section 3-C alongwith Schedule I-B of the Indian Stamp Act, 1899.

Hence this Bill.

CAPTAIN AMRINDER SINGH,

Chief Minister, Punjab.

FINANCIAL MEMORANDUM

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3. The actual benefit to the public from the proposed amendment or loss to the Government for exemption of the additional stamp duty cannot be foreseen, as it is not possible to assess as to how many instruments would actually be executed in a year. Moreover, the reduction in Stamp Duty provide an impetus to the real estate market, thereby bring in more results.

The Governor has, in pursuance of clause (1) and (3) of Article 207 of the Constitution of India, recommended to the Punjab Legislative Assembly, the introduction and consideration of the Bill.

CHANDIGARH :
The 27th November, 2017.

SHASHI LAKHANPAL MISHRA,
Secretary.

N.B.— The above Bill was published in the *Punjab Government Gazette (Extraordinary)*, dated the 27th November, 2017 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).