



TAMIL NADU GOVERNMENT GAZETTE

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Tamil Nadu Bills

BILLS INTRODUCED IN THE LEGISLATIVE ASSEMBLY OF THE STATE OF TAMIL NADU

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the State of Tamil Nadu on 7th May 2013 is published together with Statement of Objects and Reasons for general information:—

L.A. Bill No. 11 of 2013

Tamil Nadu Stamp Bill, 2013.

Arrangement of Clauses.

CHAPTER I.

PRELIMINARY

1. Short title, extent and commencement.
2. Definitions.

CHAPTER II.

STAMP DUTIES.

A. Of the liability of instruments to duty.

3. Instruments chargeable with duty.
4. Several Instruments used in single transaction.
5. Instruments relating to several distinct matters.
6. Instruments coming within several descriptions in Schedule.
7. Bonds or other securities issued on loans.
8. Power to reduce, remit duties, interests or compound duties.

B. Of stamps and the mode of using them.

9. Duties how to be paid.
10. Use of adhesive stamps.
11. Cancellation of adhesive stamps.
12. Instruments stamped with impressed stamps how to be written.
13. Only one instrument to be on same stamp.
14. Instrument written contrary to section 12 or 13 deemed unstamped.
15. Denoting duty.

C. Of the time of Stamping Instruments.

16. Instruments executed in the State.
17. Instruments executed out of India.
18. Payment of duty on certain instruments liable to increased duty.
19. Payment of duty on copy of instrument when duty not paid on original instrument.

D. Of Valuations for duty.

20. Conversion of amount expressed in foreign currencies.
21. Stock and marketable securities how to be valued.
22. Effect of statement of rate of exchange or average price.
23. Instruments reserving interest.
24. Certain instruments connected with mortgages of marketable securities to be chargeable as agreements.
25. How transfer of property subject to mortgage to be charged.
26. Valuation in case of annuity etc.
27. Stamp where value of subject matter is indeterminate.
28. Facts affecting duty to be set forth in instrument.
29. Instruments of conveyance, etc., under-valued how to be dealt with.
30. Constitution of Valuation Committee.
31. Stamp duty chargeable for instrument of rectification.
32. Direction as to duty in case of certain conveyances.

E. Duty by whom payable.

33. Duty by whom payable.

CHAPTER III.**ADJUDICATION AS TO STAMPS.**

34. Adjudication as to proper stamp.
35. Certificate by Collector.

CHAPTER IV.**INSTRUMENTS NOT DULY STAMPED.**

36. Examination and impounding of instruments.
37. Recovery of deficit stamp duty.
38. Instrument not duly stamped inadmissible in evidence, etc.
39. Admission of instrument where not to be questioned.
40. Admission of improperly stamped instruments.
41. Instrument impounded, how dealt with.
42. Collector's power to refund penalty paid under section 41.
43. Collector's power to stamp instruments impounded.
44. Instruments unduly stamped.
45. Endorsement of instruments on which duty has been paid under sections 38,43 or 44.
46. Prosecution for offence against Stamp Law.
47. Persons paying duty or penalty may recover same in certain cases.
48. Power to revenue authority to refund penalty or excess duty.
49. Non-liability for loss of instruments sent under section 41.
50. Recovery of duties and penalties.

CHAPTER V.**ALLOWANCES FOR STAMPS IN CERTAIN CASES.**

51. Allowance for spoiled stamps.
52. Application for relief under section 51 when to be made.
53. Allowance for misused stamps.
54. Allowance for spoiled or misused stamps how to be made.
55. Allowance for stamps not required for use.

CHAPTER VI.**REFERENCE AND REVISION.**

56. Control of, and statement of case to, Chief Controlling Revenue Authority.
57. Statement of case by Chief Controlling Revenue Authority to the High Court.
58. Power of High Court to call for further particulars as to case stated.
59. Procedure in disposing of case stated.
60. Statement of case by other Courts to High Court.
61. Revision of certain decisions of Courts regarding the sufficiency of stamps.

CHAPTER VII.**CRIMINAL OFFENCES AND PROCEDURE.**

62. Penalty for executing, etc.. instrument not duly stamped.
63. Penalty for failure to cancel adhesive stamp.
64. Penalty for failure to comply with provisions of section 19.

65. Penalty for omission to comply with provisions of section 28.
66. Recovery of amount of deficit stamp duty.
67. Penalty for breach of rule relating to sale of stamps and for unauthorized sale.
68. Institution and conduct of prosecutions.
69. Place of trial.

CHAPTER VIII.

SUPPLEMENTAL PROVISIONS.

70. Books, etc., to be open to inspection.
71. Power to make rules.
72. Delegation of powers.
73. Saving as to Court-fees.
74. Rounding off of duty or allowance.
75. Application of the Indian Stamp Act, 1899.

THE SCHEDULE.

A Bill to consolidate and amend the Laws relating to stamps.

Whereas it is expedient to consolidate and amend the Law relating to stamps in the State of Tamil Nadu;

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Sixty-fourth Year of the Republic of India as follows:-

CHAPTER-I.**PRELIMINARY.**

1. (1) This Act may be called the Tamil Nadu Stamp Act, 2013.

Short title, extent and commencement.

(2) It extends to the whole of the State of Tamil Nadu.

(3) It shall come into force on such date as the State Government may, by notification, appoint.

2. In this Act, unless the context otherwise requires,-

Definitions.

(1) "Association" means any association, exchange, organization, or body of individuals, whether incorporated or not, established for the purpose of regulating and controlling or conducting business of the sale or purchase of, or other transactions relating to, any goods or marketable securities;

(2) "Banker" includes a bank and any person acting as a banker;

(3) "bond" includes-

(a) any instrument whereby a person obliges himself to pay money to another, on condition that the obligation shall be void if a specified act is performed, or is not performed, as the case may be;

(b) any instrument attested by a witness and not payable to order or bearer, whereby a person obliges himself to pay money to another; and

(c) any instrument so attested, whereby a person obliges himself to deliver grain or other agricultural produce to another;

(4) "chargeable" means, as applied to an instrument executed or first executed after the commencement of this Act, chargeable under this Act, and, as applied to any other instrument chargeable under the law in force in the State when such instrument was executed or, where several persons executed the instrument at different times, first executed;

Central Act XVI of 1908.

(5) "Chief Controlling Revenue Authority" means the officer appointed under sub-section (1) of section 3 of the Registration Act, 1908 to be the Inspector General of Registration or any person authorised by the Government to exercise all or any of the power of the Chief Controlling Revenue Authority under that Act;

(6) "clearance list" means a list of transactions relating to contracts required to be submitted to the Clearing House of an association in accordance with the rules or bye-laws of the association;

(7) "Collector" means the Collector of a district and includes any officer specifically appointed by the Government to perform the functions of the Collector under this Act;

(8) "conveyance" includes-

(a) a conveyance on sale;

(b) every instrument;

Central Act 1 of 1956.

(c) every order made by the High Court under section 394 of the Companies Act, 1956 in respect of amalgamation or reconstruction of companies; and

Central Act 10 of 1949.

(d) every order made by the Reserve Bank of India under section 44A of the Banking Regulation Act, 1949;

by which property, whether movable or immovable or any interest in any property is transferred *inter vivos* and which is not otherwise specifically provided for in the Schedule;

(9) "duly stamped" as applied to an instrument, means that the instrument bears an adhesive or impressed stamp of not less than the proper amount and that such stamp has been affixed or used in accordance with the law for the time being in force in the State;

(10) "executed" and "execution", used with reference to instruments, means, "signed" and "signature", respectively;

Explanation.- The terms "signed" and "signature" also include attribution of electronic record as per section 11 of the Information Technology Act, 2000;

Central Act 21
of 2000

(11) "Government" means the State Government;

(12) "immovable property" includes land, buildings, hereditary allowance, rights to ways, lights, ferries, fisheries or any other benefit to arise out of land, and things attached to the earth, or permanently fastened to anything which is attached to the earth, but not standing timber, growing crops and grass;

(13) "impressed stamp" includes-

- (a) labels affixed and impressed by the proper officer;
- (b) stamps embossed or engraved on stamped paper; and

(c) impression by franking machine or any such machine as the Government may, by notification specify;

(14) "India" means the territory of India excluding the State of Jammu and Kashmir;

(15) "instrument" includes every document by which any right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded but does not include a bill of exchange, promissory note, bill of lading, letter of credit, policy of insurance, transfer of share, debenture, proxy and receipt;

(16) "instrument of gift" means any instrument whereby transfer of certain existing movable or immovable property is made voluntarily and without consideration, by one person called the donor, to another called the donee, and accepted by or on behalf of the donee;

(17) "instrument of partition" means any instrument whereby co-owners of any property divide or agree to divide such property in severalty and includes also a final order for effecting a partition passed by any Revenue Authority or any Civil Court and an award by an Arbitrator directing a partition;

(18) "lease" means a lease of immovable property and includes also-

- (a) a patta;
- (b) kubuliyat or other undertaking in writing, not being a counterpart of lease, to cultivate, occupy, or pay or deliver rent for, immovable property;
- (c) any instrument by which tolls of any description are let;
- (d) any writing on an application for a lease intended to signify that the application is granted;

(19) "marketable security" means a security of such a description as to be capable of being sold in any stock market in India;

(20) "market value" in relation to any property which is the subject matter of an instrument, means the value which shall be estimated to be the value which in the opinion of the Collector or the Chief Controlling Revenue Authority or the High Court, as the case may be, such property would have fetched or would fetch, if sold in the open market on the date of execution of the instrument:

Provided that in respect of an instrument executed by or on behalf of or in favour of any State Government or the Central Government or a Local Authority or other Authority constituted by or under any law for the time being in force or a body corporate wholly owned or controlled by the Central Government or any State Government, the market value of the property shall be the value of consideration for such conveyance as set forth in the instrument.

(21) "mortgage deed" includes every instrument whereby, for the purpose of securing money advanced, or to be advanced, by way of loan, or an existing or future debt, or the performance of an engagement, one person transfers, or creates, to or in favour of another, a right over or in respect of specified property;

(22) "power of attorney" includes any instrument (not chargeable with a fee under the law relating to court fees for the time being in force) empowering a specified person to act for and in the name of the person executing it;

Central Act XVI
of 1908.

(23) "registering officer" means the Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908;

(24) "Schedule" means the Schedule appended to this Act;

(25) "settlement" means any non-testamentary disposition in writing, of movable or immovable property made-

(a) in consideration of marriage;

(b) for the purpose of distributing property of the settler among his family or those for whom he desires to provide, or for the purpose of providing for some person dependent on him; or

(c) for any religious or charitable purpose; and includes an agreement in writing to make such a disposition and, where any such disposition has not been made in writing, any instrument recording, whether by way of declaration of trust or otherwise, the terms of any such disposition;

(26) "stamp" means any mark, seal or endorsement by any agency or person duly authorised by the Government, and includes an adhesive or impressed stamp, for the purposes of duty chargeable under this Act;

(27) "State" means the State of Tamil Nadu.

CHAPTER-II.

STAMP DUTIES.

A. Of the liability of instruments to duty.

3. Subject to the provisions of this Act and the exemptions contained in the Schedule, the following instruments shall be chargeable with duty of the amount indicated in that Schedule as the proper duty therefor, respectively, that is to say,-

Instruments
chargeable
with duty.

(a) every instrument mentioned in that Schedule which, not having been previously executed by any person, is executed in the State on or after the date of commencement of this Act;

(b) every instrument mentioned in that Schedule, which not having been previously executed by any person, is executed out of the State on or after that date, relates to any property situate, or to any matter or thing done, or to be done, in the State and is received in the State:

Provided that no duty shall be chargeable in respect of-

(1) any instrument executed by or on behalf of, or in favour of, the Central Government or any State Government in case where, but for this exemption, the Central Government or the State Government would be liable to pay the duty chargeable in respect of such instrument;

(2) any instrument for the sale, transfer or other disposition, either absolutely or by way of mortgage or otherwise, of any ship or vessel, or any part, interest, share or property of or in any ship or vessel registered, under the Merchant Shipping Act, 1958;

(3) any instrument executed, by, or, on behalf of, or, in favour of, the Developer, or Unit or in connection with the carrying out of purposes of the Special Economic Zone.

Explanation.- For the purposes of this clause, the expressions "Developer", "Special Economic Zone" and "Unit" shall have meanings, respectively, assigned to them in clause (g), (za) and (zc) of section 2 of the Special Economic Zones Act, 2005.

Central Act 44
of 1958.

Central Act 28
of 2005.

Several Instruments used in single transaction.

4. (1) Where, in the case of any transaction, several instruments are employed for completing the transaction, the principal instrument only shall be chargeable with the duty prescribed in the Schedule, and each of the other instruments shall be chargeable with a duty of one hundred rupees instead of the duty, if any prescribed for it in the Schedule.

(2) The parties may determine for themselves which of the instruments so employed shall, for the purposes of the sub-section (1), be deemed to be the principal instrument. If the parties fail to determine the principal instrument for themselves, then the registering officer before whom the instrument is produced for registration, may for the purposes of this section, determine the principal instrument:

Provided that the duty chargeable on the instrument so determined shall be the highest duty which would be chargeable in respect of any of the said instruments employed.

Instruments relating to several distinct matters.

5. Any instrument comprising or relating to several distinct matters shall be chargeable with the aggregate amount of the duties with which separate instruments, each comprising or relating to one of such matters, would be chargeable under this Act.

Instruments coming within several descriptions in Schedule.

6. Subject to the provisions of section 5, an instrument so framed as to come within two or more of the descriptions in the Schedule, shall, where the duties chargeable thereunder are different, be chargeable only with the highest of such duties:

Provided that nothing contained in this Act shall render chargeable with duty, exceeding the duty prescribed in the Schedule for a counterpart or duplicate of any instrument and in respect of which the proper duty has been paid.

Bonds or other securities issued on loans.

7. (1) Notwithstanding anything contained in this Act, any local authority raising a loan under the provisions of any law for the time being in force, by the issue of bonds or other securities other than debentures, shall, in respect of such loan, be chargeable with a duty of one per centum on the total amount of the bonds, or other securities issued by it, and such bonds or other securities need not be stamped and shall not be chargeable with any further duty on renewal, consolidation, sub-division or otherwise.

(2) The provisions of sub-section (1) exempting certain bonds, or other securities other than debentures from being stamped and from being chargeable with certain further duty shall apply to the bonds, or other securities other than debentures of all outstanding loans of the kind mentioned therein and all such bonds, or other securities shall be valid, whether the same are stamped or not.

(3) In the case of willful neglect to pay the duty required by this section, the local authority shall be liable to forfeit to the Government a sum equal to ten per centum upon the amount of duty payable, and a like penalty for every month after the first month during which the neglect continues.

8. The Government, may, by notification,-

Power to reduce, remit duties, interests or compound duties.

(a) reduce or remit, whether prospectively, or retrospectively in the whole or any part of the State under its administration, the duties or interests with which any instruments or any particular class of instruments or any of the instruments belonging to such class, or any instrument when executed by or in favour of any particular class of persons or by or in favour of any members of such class, are chargeable or leviable as the case may be, and

(b) provide for the composition or consolidation of duties in the case of issues by any incorporated company or other body corporate, bonds or other marketable securities other than debentures.

B. Of stamps and the mode of using them.

Duties how to be paid.

9. (1) Except as otherwise expressly provided in this Act, all duties with which any instrument is chargeable shall be paid, and such payment shall be indicated on such instrument, by means of stamps-

(a) according to the provisions herein contained; or

(b) when no such provision is applicable thereto, as the Government may, by rules, direct.

(2) The rules made under sub-section (1) may, among other matters, regulate-

(a) in the case of each kind of instrument – the description of stamps which may be used;

(b) in the case of instruments stamped with impressed stamps – the number of stamps which may be used.

10. The following instruments may be stamped with adhesive stamps, namely:-

(a) instruments chargeable with the duty of not more than one rupee;

(b) certificate of enrolment in the roll of the Advocates maintained by the State Bar Council;

(c) notarial acts; and

(d) any other instrument as the Government may, by notification, specify.

Use of adhesive stamps.

11. (1) (a) Whoever affixes any adhesive stamp to any instrument chargeable with duty which has been executed by any person shall, when affixing such stamp, cancel the same so that it cannot be used again; and

Cancellation of adhesive stamps.

(b) Whoever executes any instrument on any paper bearing an adhesive stamp shall, at the time of execution, unless such stamp has been already cancelled in the manner aforesaid, cancel the same so that it cannot be used again.

(2) Any instrument bearing an adhesive stamp which has not been cancelled so that it cannot be used again, shall, so far as such stamp is concerned, be deemed to be unstamped.

(3) The person required by sub-section (1) to cancel an adhesive stamp may cancel it by writing on or across the stamp his name or initial or the name or initials of his firm with the date of his so writing, or in any other effectual manner.

12. Every instrument written upon paper, stamped with an impressed stamp, shall be written in such manner that the stamp may appear on the face of the instrument and cannot be used for or applied to any other instrument.

Instruments stamped with impressed stamps how to be written.

13. No second instrument chargeable with duty shall be written upon a piece of stamped paper upon which an instrument chargeable with duty has already been written:

Only one instrument to be on same stamp.

Provided that nothing in this section shall prevent any endorsement which is duly stamped or is not chargeable with duty being made upon any instrument for the purpose of transferring any right created or evidenced thereby, or of acknowledging the receipt of any money or goods the payment or delivery of which is secured thereby.

14. Every instrument written in contravention of section 12 or section 13 shall be deemed to be unstamped.

Instrument written contrary to section 12 or 13 deemed unstamped.

15. Where the duty with which an instrument is chargeable, or its exemption from duty, depends in any manner upon the duty actually paid in respect of another instrument, the payment of such last mentioned duty shall, if application is made in writing to the Collector for that purpose, and on production of both the instruments, or if the Collector is otherwise satisfied that proper duty has been paid in respect of the latter instrument, on recording reasons therefor, be denoted upon such former instrument by endorsement under the hand of the Collector or in such other manner, if any, as the Government may by rule prescribe.

Denoting duty.

C. Of the time of Stamping Instruments.

16. All instruments chargeable with duty and executed by any person in the State shall be stamped before or at the time of execution.

Instruments executed in the State.

17. (1) Every instrument chargeable with duty and executed out of India may be stamped within three months after it has been first received in the State.

Instruments executed out of India.

(2) Where any such instrument cannot, with reference to the description of stamp prescribed therefor, be duly stamped by a private person, it may be taken within the said period of three months to the Collector, who shall stamp the same, in such manner as the Government may by rules prescribe, with a stamp of such value as the person so taking such instrument may require and pay for.

Payment of duty on certain instruments liable to increased duty.

18. Where any instrument chargeable with duty under section 3 relating to any property situate in the State and executed outside the State prior to the 29th day of March 1997 is received in the State,-

(a) notwithstanding anything contained in section 3, the amount of duty chargeable on such instrument shall be the amount chargeable on it under the Schedule less the amount of duty, if any, already paid on it outside the State;

(b) in addition to the stamps, if any, already affixed thereto, such instrument shall be stamped with the stamps necessary for the payment of the duty chargeable on it under clause (a), if any, in the same manner and at the same time and by the same persons as though such instrument was an instrument received in the State for the first time, at the time when it became chargeable with the higher duty; and

(c) the provisions contained in clause (b) of the proviso to sub-section (3) of section 35 shall apply to such instrument.

Payment of duty on copy of instrument when duty not paid on original instrument.

19. (1) Where any instrument chargeable with duty under section 3, the copy of such instrument shall, when received in the State under the Registration Act, 1908, be chargeable with the difference of duty as on the original instrument.

Central Act XVI of 1908.

(2) The difference of duty shall be calculated having regard to,-

(a) the extent of property situate in the State; and

(b) the proportionate consideration or value or market value of such extent of property.

(3) The party liable to pay duty on the original instrument shall upon the receipt of notice from the registering officer, pay the difference in duty within the time allowed by such registering officer;

(4) Where deficiency in duty paid is noticed from the copy of any instrument, the Collector may *suo motu* or otherwise require the production of the original instrument before him within the period specified by him for the purpose of satisfying himself as to the adequacy of the duty paid thereon, and the instrument so produced before the Collector, shall be deemed to have been produced or come before him in the performance of his functions and the provisions of section 29 shall *mutatis mutandis* apply:

Provided that no action under this sub-section shall be taken after a period of four years from the date of receipt of the copy of such instrument in the State under the Registration Act, 1908.

Central Act XVI of 1908.

(5) In case the original instrument is not produced within the period specified by the Collector, he may require the payment of deficit duty, if any, together with penalty under section 43, on the copy of the instrument, within such time as may be prescribed.

D. Of Valuations for duty.

Conversion of amount expressed in foreign currencies.

20. (1) Where an instrument is chargeable with *ad valorem* duty in respect of any money expressed in any currency other than that of India, such duty shall be calculated on the value of such money in the currency of India according to the current rate of exchange on the day of the date of the instrument.

(2) The rate of exchange prescribed by the Central Government under sub-section (2) of section 20 of the Indian Stamp Act, 1899 shall be deemed to be the current rate of exchange for the conversion of any foreign currency for the purpose of calculating the duty under sub-section (1).

Central Act II of 1899.

Stock and marketable securities how to be valued.

21. Where an instrument is chargeable with *ad valorem* duty in respect of any stock or of any marketable security other than debentures, such duty shall be calculated on the value of such stock or security, according to the average price or the value thereof on the day of the date of the instrument.

- 22.** Where an instrument contains a statement of current rate of exchange, or average price, as the case may require, and is stamped in accordance with such statement, it shall so far as regards the subject-matter of such statement, be presumed, until the contrary is proved, to be duly stamped. Effect of statement of rate of exchange or average price.
- 23.** Where interest is expressly made payable by the terms of an instrument, such instrument shall not be chargeable with duty higher than that with which it would have been chargeable had no mention of interest been made therein. Instruments reserving interest.
- 24. (1)** Where an instrument,-
- (a) is given upon the occasion of the deposit of any marketable security by way of security for money advanced or to be advanced by way of loan, or for an existing or future debt; or
- (b) makes redeemable or qualifies a duly stamped transfer, intended as a security, of any marketable security; it shall be chargeable with duty as if it were an agreement or memorandum of an agreement chargeable with duty under Article 5 (5) of the Schedule. Certain instruments connected with mortgages of marketable securities to be chargeable as agreements.
- (2) A release or discharge of any such instrument shall only be chargeable with the like duty.
- 25.** Where property subject to a mortgage is transferred to the mortgagee, he shall be entitled to deduct from the duty payable on the transfer the amount of any duty already paid in respect of the mortgage. How transfer of property subject to mortgage to be charged.
- Illustration.**
- A mortgages a house to B for Rs.50,000. A afterwards sells the house to B. The Market value of the house at the time of sale is Rs.1,00,000. Stamp duty is payable on Rs.1,00,000 less the amount of stamp duty already paid for the mortgage.
- 26.** Where an instrument is executed to secure the payment of an annuity or other sum payable periodically, the amount secured by such instrument shall, for the purposes of this Act, be deemed to be, — Valuation in case of annuity etc.
- (a) where the sum is payable for a definite period so that the total amount to be paid can be previously ascertained-such total amount;
- (b) where the sum is payable in perpetuity or for an indefinite time not terminable with any life in being at the date of such instrument-the total amount which, according to the terms of such instrument will or may be payable during the period of twenty years calculated from the date on which the first payment becomes due; and
- (c) where the sum is payable for an indefinite time terminable with any life in being at the date of such instrument-the maximum amount which will or may be payable, as aforesaid during the period of twelve years calculated from the date on which the first payment becomes due.
- 27.** Where the amount or value of the subject-matter of any instrument chargeable with *ad valorem* duty cannot be, or could not have been ascertained at the date of its execution or first execution, nothing shall be claimable under such instrument more than the highest amount of value for which, if stated in an instrument of the same description, the stamp actually used would, at the date of such execution, have been sufficient: Stamp where value of subject matter is indeterminate.
- Provided that, in the case of the lease of a mine in which royalty or share of the produce is received as the rent or part of the rent, it shall be sufficient to have estimated such royalty or the value of such share, for the purpose of stamp duty-
- (a) when the lease has been granted by or on behalf of the Government, at such amount or value as the Collector may, having regard to all the circumstances of the case, have estimated as likely to be payable by way of royalty or share to the Government, under the lease; or
- (b) when the lease has been granted by any other person, at two lakh rupees a year; and the whole amount of such royalty or share, whatever it may be, shall be claimable under such lease:

Provided further that, where proceedings have been taken in respect of an instrument under section 34 or 45, the amount certified by the Collector shall be deemed to be the stamp actually used at the date of execution.

Facts affecting duty to be set forth in instrument.

28. The consideration, if any, and the market value and all other facts and circumstances affecting the chargeability of any instrument with duty, or the amount of duty with which it is chargeable shall be fully and truly set forth therein.

Instruments of conveyance, etc. undervalued how to be dealt with.

29. (1) If the registering officer while registering any instrument relating to property, has reason to believe that the market value of the property which is the subject matter of the instrument has not been truly set forth in the instrument, he shall inform the person liable to pay the duty accordingly and if the said person fails to correct the same, he shall, after registering such instrument, refer the matter to the Collector for determination of the market value of such property and the proper duty payable thereon.

(2) On receipt of a reference under sub-section (1), the Collector shall, after giving the parties a reasonable opportunity of being heard and after holding an enquiry in such manner as may be prescribed, determine the market value of the property which is the subject matter of the said instrument and the duty aforesaid. The difference, if any, in the amount of duty, shall be payable by the person liable to pay the duty.

(3) The Collector may *suo motu* or otherwise within five years from the date of registration of any instrument relating to property, not already referred to him under sub-section (1), call for and examine the instrument for the purpose of satisfying himself as to the correctness of the market value of the property which is the subject matter of such instrument and the duty payable thereon and if after such examination, he has reason to believe that the market value of the property has not been truly set forth in the instrument, he may determine the market value of such property and the duty as aforesaid in accordance with the procedure provided for in sub-section (2). The difference, if any, in the amount of duty, shall be payable by the person liable to pay the duty.

(4) Every person liable to pay the difference in the amount of duty under sub-section (2) or sub-section (3) shall, pay such duty within such period as may be prescribed. In default of such payment such amount of duty outstanding on the date of default shall be a charge on the property affected in such instrument. On any amount remaining unpaid after the date specified for its payment, the person liable to pay the duty shall pay, in addition to the amount due, interest at one per cent per month on such amount for the entire period of default.

(5) If any officer is specifically appointed to perform the functions of the Collector under this section, then notwithstanding anything contained in the Tamil Nadu Revenue Recovery Act, 1864, such officer shall have the powers of a Collector under that Act for the purpose of recovery of the amount payable under sub-section (2) or sub-section (3).

Tamil Nadu Act
II of 1864

(6) Any person aggrieved by an order of the Collector under sub-section (2) or sub-section (3), may appeal to such authority as may be prescribed in this behalf. All such appeals shall be preferred within two months from the date of receipt of such order, and shall be heard and disposed of in such manner, as may be prescribed:

Provided that no appeal shall be preferred unless the person aggrieved has deposited in such manner as may be prescribed twenty- five per cent of the difference in the amount of duty determined and payable under sub-section (2) or sub-section (3), as the case may be.

(7) The Chief Controlling Revenue Authority may, *suo motu*, or otherwise, call for and examine an order passed under sub-section (2) or sub-section (3) and if in his opinion such order is prejudicial to the interests of revenue, he may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may initiate proceedings to revise, modify or set aside such order and may pass such order thereon as he thinks fit.

(8) The Chief Controlling Revenue Authority shall not initiate proceedings against any order passed under sub-section (2) or sub-section (3) if,-

- (a) the time for appeal against that order has not expired; or
- (b) more than five years have expired after the passing of such order.

(9) No order under sub-section (6) adversely affecting a person shall be passed unless that person has had a reasonable opportunity of being heard.

(10) In computing the period referred to in clause (b) of sub-section (7), the time during which the proceedings before the Chief Controlling Revenue Authority remained stayed under the order of a Court shall be excluded.

(11) Any person aggrieved by an order of the Authority prescribed under sub-section (5) or the Chief Controlling Revenue Authority under sub-section (6) may, within two months from the date of receipt of such order and in such manner, as may be prescribed, appeal to the High Court.

(12) Where the duty paid is found to be in excess as a result of an order passed on appeal or revision, the excess duty paid shall be refunded.

30. (1) The State Government shall, by notification, constitute a Valuation Committee under the Chairmanship of Inspector General of Registration and such other member as may be specified for estimation, publication and revision of market value guidelines of properties in any area in the State at such intervals and such manner as may be prescribed, for the purpose of section 29.

Constitution of
Valuation
Committee.

(2) The Valuation Committee is the final authority for the formulation of policy, methodology and administration of the market value guidelines in the State and may for the said purpose constitute valuation sub-committee in each district comprising of such members as may be prescribed, for estimation and revision of the market value guidelines.

(3) The sub-committee so constituted shall function under the Valuation Committee and shall follow such procedures as may be prescribed and shall be subject to reconstitution whenever found necessary.

31. Notwithstanding anything contained in this Act, where an instrument purports to rectify any error in the description of property as set out in any previous instrument then, the amount of duty chargeable in such instrument of rectification shall be the amount chargeable on it under the Schedule on the date of presentation of the previous document, less the amount of duty, if any, already paid in respect of such previous instrument.

Stamp duty
chargeable
for
instrument of
rectification.

32. Where a sub-purchaser takes an actual conveyance of the interest of the person immediately selling to him, which is chargeable with *ad valorem* duty in respect of the market value of the property which is the subject matter of conveyance and is duly stamped accordingly, any conveyance to be afterwards made to him of the same property by the original seller shall be chargeable with a duty equal to that which would be chargeable on a conveyance for the market value of the property which is the subject matter of conveyance, or where such duty would exceed twenty rupees, with a duty of twenty rupees.

Direction as to
duty in case of
certain
conveyances.

E. Duty by whom payable.

33. In the absence of an agreement to the contrary, the expense of providing the proper stamp shall be borne,-

Duty by whom
payable.

(a) in the case of any instrument described in any of the following Articles of the Schedule, namely:-

No.2 (Administration bond),

No.6 (Agreement relating to Deposit of title deeds, Pawn or Pledge),

No.13 (Bond),

No.14 (Bottomry bond),

No.23 (Customs bond),

No.27 (Further charge),

No.29 (Indemnity bond),

No.34 (Mortgage deed),

No.46 (Release),

No.47 (Respondentia bond),

No.48 (Security bond or Mortgage deed),

No.49 (Settlement),

No.53(a) (Transfer of debentures being marketable securities, whether the debenture is liable to duty or not),

No. 53 (b) (Transfer of any interest secured by a bond or mortgage-deed)

-by the person drawing, making or executing such instrument;

(b) in the case of conveyance (including a reconveyance of mortgaged property) – by the grantee;

(c) in the case of a lease or agreement to lease – by the lessee or intended lessee;

(d) in the case of a counterpart of a lease – by the lessor;

(e) in the case of a certificate of enrolment in the roll of Advocates maintained by the State Bar Council- by the Advocate enrolled;

(f) in the case of an instrument of exchange – by the parties in equal shares;

(g) in the case of a certificate of sale – by the purchaser of the property to which such certificate relates; and

(h) in the case of an instrument of partition – by the parties thereto in proportion to their respective shares in the whole property partitioned, or, when the partition is made in execution of an order passed by a Revenue Authority or a Civil Court or an Arbitrator, in such proportion as such Authority, Court or Arbitrator directs.

CHAPTER-III.

ADJUDICATION AS TO STAMPS.

Adjudication as
to proper
stamp.

34. (1) When any instrument, whether executed or not and whether previously stamped or not, is brought to the Collector, and the person bringing it, applies to have the opinion of that officer as to the duty, if any, with which it is chargeable, and pays a fee of one hundred rupees, the Collector shall determine the duty, if any, with which, in his judgement, the instrument is chargeable.

(2) For this purpose, the Collector may require to be furnished with an abstract of the instrument, and also with such affidavit or other evidence as he may deem necessary to prove that all the facts and circumstances affecting the chargeability of the instrument with duty, or the amount of the duty with which it is chargeable, are fully and truly set forth therein, and may refuse to proceed upon any such application until such abstract and evidence have been furnished accordingly:

Provided that-

(a) no evidence furnished in pursuance of this section shall be used against any person in any civil proceeding, except in an inquiry as to the duty with which the instrument to which it relates is chargeable; and

(b) every person by whom any such evidence is furnished, shall, on payment of the full duty with which the instrument to which it relates, is chargeable, be relieved from any penalty which he may have incurred under this Act by reason of the omission to state truly in such instrument any of the facts or circumstances aforesaid.

Certificate by
Collector.

35. (1) When an instrument is brought to the Collector under section 34 is, in his opinion, one of a description chargeable with duty, and-

(a) the Collector determines that it is already fully stamped; or

(b) the duty determined by the Collector under section 34, or such a sum as, with the duty already paid in respect of the instrument, is equal to the duty so determined, has been paid;

the Collector shall certify by endorsement on such instrument that the full duty with which it is chargeable has been paid and shall also specify the amount of duty thereon.

(2) When such instrument is, in his opinion, not chargeable with duty, the Collector shall certify in the manner aforesaid that such instrument is not so chargeable.

(3) Any instrument upon which an endorsement has been made under this section, shall be deemed to be duly stamped or not chargeable with duty, as the case may be, and, if chargeable with duty, shall be receivable in evidence or otherwise, and may be acted upon and registered as if it had been originally duly stamped:

Provided that nothing in this section shall authorize the Collector to endorse-

(a) any instrument executed or first executed in the State and brought to him after the expiration of one month from the date of its execution or first execution, as the case may be;

(b) any instrument executed or first executed outside the State and brought to him after the expiration of three months after it has been first received in the State; or

(c) any instrument chargeable with a duty not exceeding one rupee or a mortgage of crop when brought to him after the execution thereof, on paper not duly stamped.

CHAPTER-IV.

INSTRUMENTS NOT DULY STAMPED.

36. (1) (a) Every person having by law or consent of parties authority to receive evidence, and every person in charge of a public office, except an officer of police, before whom any instrument, chargeable, in his opinion, with duty, is produced or comes in the performance of his function, shall if it appears to him that such instrument is not duly stamped, impound the same.

Examination and impounding of instruments.

(b) Notwithstanding anything contained in section 34, but without prejudice to the provisions of clause (a), the Collector before whom any instrument is brought under section 34 for determining the duty with which the instrument is chargeable, shall, if it appears to him that such instrument is not duly stamped, impound the same:

Provided that nothing contained in this clause shall be deemed to authorize the Collector to impound any instrument which has not been executed but is brought to him under section 34 for determining the duty with which the instrument is chargeable or any instrument which he is authorized to endorse under section 35.

(2) For the purpose, every such person and the Collector shall examine every instrument so chargeable and so produced or coming or brought before him in order to ascertain whether it is stamped with a stamp of the value and description required by the law in force in the State when such instrument was executed or first executed:

Provided that-

(a) nothing herein contained shall be deemed to require any Magistrate or Judge of a Criminal Court to examine or impound if he does not think fit so to do, any instrument coming before him in the course of any proceeding other than a proceeding under Chapter IX or Chapter X of the Code of Criminal Procedure, 1973;

(b) in the case of a Judge of a High Court, the duty of examining and impounding any instrument under this section may be delegated to such officer as the Court appoints in this behalf.

(3) For the purposes of this section, in case of doubt,-

(a) the Government may determine what offices shall be deemed to be public offices; and

(b) the Government may determine who shall be deemed to be persons in charge of public offices.

37. (1) Notwithstanding anything contained in section 36 or in any other provision of this Act, if, after the registration of any instrument under the Registration Act, 1908, it is found that the proper stamp duty payable under this Act in respect of such instrument has not been paid or has been insufficiently paid, such duty or the deficit, as the case may be, may, on a certificate from the Registrar of the district under the said Central Act, be recovered from the person liable to pay the duty, as an arrear of land revenue:

Recovery of deficit stamp duty.

Provided that no such certificate shall be granted unless due inquiry is made and such person is given an opportunity of being heard:

Provided further that no such inquiry shall be commenced after the expiry of five years from the date of registration of the instrument.

(2) The certificate of the Registrar of the district under sub-section (1) shall, subject only to appeal under sub-section (3), be final and shall not be called in question in any court or before any authority.

Central Act 2
of 1974.

Central Act
XVI of 1908.

(3) Any person aggrieved by a certificate of the Registrar of the district under sub-section (1) may appeal to the Chief Controlling Revenue Authority. Any such appeal shall be preferred within three months from the date of receipt of the said certificate and shall be heard and disposed of by the Chief Controlling Revenue Authority, in such manner, as may be prescribed.

(4) Notwithstanding anything contained in the Tamil Nadu Revenue Recovery Act, 1864, the Registrar of the district shall have the powers of a Collector under that Act for the purpose of recovery of the amount payable under sub-section (1).

Tamil Nadu
Act II of
1864

Instrument not
duly stamped
inadmissible
in evidence,
etc.

38. No instrument chargeable with duty shall be admitted in evidence for any purpose by any person having by law or consent of parties authority to receive evidence, or shall be acted upon, registered or authenticated by any such person or by any public officer, unless such instrument is duly stamped:

Provided that-

(a) any such instrument not being an instrument chargeable with a duty not exceeding one rupee or a mortgage of crop shall, subject to all just exceptions, be admitted in evidence on payment of the duty with which the same is chargeable or, in the case of an instrument insufficiently stamped, of the amount required to make up such duty, together with a penalty of five rupees, or, when ten times the amount of the proper duty or deficient portion thereof exceeds five rupees, of a sum equal to ten times such duty or portion;

(b) where a contract or agreement of any kind is effected by correspondence consisting of two or more letters and any one of the letters bears the proper stamp, the contract or agreement shall be deemed to be duly stamped;

(c) nothing herein contained shall prevent the admission of any instrument in evidence in any proceeding in a Criminal Court, other than a proceeding under Chapter IX or Chapter X of the Code of Criminal Procedure, 1973;

(d) nothing herein contained shall prevent the admission of any instrument in any Court, when such instrument has been executed by or on behalf of the Central Government or any Government, or where it bears the certificate of the Collector as provided by section 35 or any other provision of this Act.

Central Act 2
of 1974.

Admission of
instrument
where not to
be questioned.

39. Where an instrument has been admitted in evidence, such admission shall not, except as provided in section 61, be called in question at any stage of the same suit or proceeding on the ground that the instrument has not been duly stamped.

Admission of
improperly
stamped
instruments.

40. The Government may make rules providing that, where an instrument bears a stamp of sufficient amount but of improper description, it may, on payment of the duty with which the same is chargeable be certified to be duly stamped, and any instrument so certified shall then be deemed to have been duly stamped as from the date of its execution.

Instrument
impounded,
how dealt
with.

41. (1) When the person impounding an instrument under section 36 has by law or consent of parties authority to receive evidence and admits such instrument in evidence upon payment of a penalty as provided by section 38 or of duty as provided by section 40, he shall send to the Collector an authenticated copy of such instrument, together with a certificate in writing, stating the amount of duty and penalty levied in respect thereof, and shall send such amount to the Collector, or to such person as he may appoint in this behalf.

(2) In every other case, the person so impounding an instrument shall send it in original to the Collector.

Collector's
power to
refund penalty
paid under
section 41.

42. (1) When a copy of an instrument is sent to the Collector under sub-section (1) of section 41, he may, if he thinks fit, refund any portion of the penalty in excess of one hundred rupees which has been paid in respect of such instrument.

(2) When such instrument has been impounded only because it has been written in contravention of section 12 or section 13, the Collector may refund the whole penalty so paid.

Collector's
power to
stamp
instruments
impounded.

43. (1) When the Collector impounds any instrument under section 36, or receives any instrument sent to him under sub-section (2) of section 41, not being an instrument chargeable with a duty not exceeding one rupee, or a mortgage of crop, he shall adopt the following procedure:-

(a) if he is of opinion that such instrument is duly stamped or is not chargeable with duty, he shall certify by endorsement thereon that it is duly stamped, or that it is not so chargeable, as the case may be;

(b) if he is of opinion that such instrument is chargeable with duty and is not duly stamped, he shall require the payment of proper duty or the amount required to make up the same, together with a penalty of one hundred rupees; or if he thinks fit, an amount not exceeding ten times the amount of the proper duty or of the deficient portion thereof, whether such amount exceeds or falls short of one hundred rupees:

Provided that, when such instrument has been impounded only because it has been written in contravention of section 12 or section 13, the Collector may, if he thinks fit, remit the whole penalty.

(2) Every certificate under clause (a) of sub-section (1) shall for the purposes of this Act, be conclusive evidence of the matters stated therein.

(3) Where an instrument has been sent to the Collector under sub-section (2) of section 41, the Collector shall, when he has dealt with it as provided by this section, return it to the impounding officer.

44. If any instrument chargeable with duty and not duly stamped, not being an instrument chargeable with a duty not exceeding one rupee or a mortgage of crop is produced by any person on his own motion before the Collector within one year from the date of its execution, or first execution, and such person brings to the notice of the Collector the fact that such instrument is not duly stamped and offers to pay to the Collector the amount of the proper duty, or the amount required to make up the same, and the Collector is satisfied that the omission to duly stamp such instrument has been occasioned by accident, mistake or urgent necessity, he may, instead of proceeding under sections 36 and 43, receive such amount and proceed as next hereinafter prescribed.

Instruments unduly stamped.

45. (1) When the duty and penalty if any, leviable in respect of any instrument have been paid under section 38, section 43 or section 44, the person admitting such instrument in evidence or the Collector, as the case may be, shall certify by endorsement thereon that the proper duty or, as the case may be, the proper duty and penalty have been levied in respect thereof, the respective amount, and the name and address of the person paying them.

Endorsement of instruments on which duty has been paid under sections 38,43 or 44.

(2) Every instrument so endorsed shall thereupon be admissible in evidence and may be registered and acted upon and authenticated as if it had been duly stamped, and shall be delivered on his application in this behalf to the person from whose possession it came into the hands of the officer impounding it, or as such person may direct:

Provided that-

(a) no instrument which has been admitted in evidence upon payment of duty and a penalty under section 38, shall be so delivered before the expiration of one month from the date of such impounding, or if the Collector has certified that its further detention is necessary and has not cancelled such certificate;

(b) nothing in this section shall affect Order XIII, Rule 9 of the First Schedule to the Code of Civil Procedure, 1908.

Central Act V of 1908.

46. The taking of proceedings or the payment of a penalty under this Chapter in respect of any instrument shall not bar the prosecution of any person who appears to have committed an offence against the Law relating to stamps in respect of such instrument:

Prosecution for offence against Stamp Law.

Provided that no such prosecution shall be instituted in the case of any instrument in respect of which such a penalty has been paid, unless it appears to the Collector that the offence was committed with an intention of evading payment of the proper duty.

47. (1) When any duty or penalty has been paid under section 38, section 40, section 41 or section 42, by any person in respect of an instrument, and, by agreement or under the provisions of section 33 or any other enactment in force at the time such instrument was executed, some other person was bound to bear the expense of providing the proper stamp for such instrument, the first-mentioned person shall be entitled to recover from such other person the amount of the duty or penalty so paid.

Persons paying duty or penalty may recover same in certain cases.

(2) For the purpose of such recovery, any certificate granted in respect of such instrument under this Act shall be conclusive evidence of the matters therein certified.

(3) Such amount may, if the Court thinks fit, be included in any order as to costs in any suit or proceeding to which such persons are parties and in which such instrument has been tendered in evidence. If the Court does not include the amount in such order, no further proceedings for the recovery of the amount shall be maintainable.

48. (1) Where any penalty is paid under any of the provisions of this Act, the Chief Controlling Revenue Authority may, upon application in writing made within one year from the date of the payment, refund such penalty or any amount of composition wholly or in part.

Power to revenue authority to refund penalty or excess duty.

(2) Where, in the opinion of the Chief Controlling Revenue Authority, stamp-duty in excess of that which is legally chargeable has been charged and paid under any of the provisions of this Act, such authority may, upon application in writing made within one year from the date of payment refund the excess.

49. (1) If any instrument sent to the Collector under sub-section (2) of section 41, is lost, destroyed, or damaged during transmission, the person sending the same shall not be liable for such loss, destruction or damage.

Non-liability for loss of instruments sent under section 41.

(2) When any instrument is about to be so sent, the person from whose possession it came into the hands of the person impounding the same, may require a copy thereof to be made at the expense of such first-mentioned person and authenticated by the person impounding such instrument. A certificate to the effect that in case the original instrument is lost, destroyed or damaged during transmission, the said copy shall be treated as the original shall be endorsed on it.

50. All duties, penalties and other sums required to be paid under this Act shall be recoverable as an arrear of land revenue.

Recovery of duties and penalties.

CHAPTER V.

ALLOWANCES FOR STAMPS IN CERTAIN CASES.

51. Subject to such rules as may be made by the Government as to the evidence to be required on the enquiry to be made, the Collector may, on application made, within the period prescribed in section 52, and if he is satisfied as to the facts, make allowances for impressed stamps spoiled in the cases hereinafter mentioned, namely:-

Allowance for spoiled stamps.

(a) the stamp on any paper inadvertently and undesignedly spoiled, obliterated or by error in writing or any other means rendered unfit for the purpose intended before any instrument written thereon is executed by any person;

(b) the stamp on any document which is written out wholly or in part, but which is not signed or executed by any party thereto;

(c) the stamp used for an instrument executed by any party thereto which-

(1) has been afterwards found to be void *abinitio*;

(2) has been afterwards found unfit, by reason of any error or mistake therein, for the purpose originally intended;

(3) by reason of the death of any person by whom it is necessary that it should be executed, without having executed the same, or of the refusal of any such person to execute the same, cannot be completed so as to effect the intended transaction in the form proposed;

(4) for the want of the execution thereof by some material party, and his inability or refusal to sign the same, is infact incomplete and insufficient for the purpose for which it was intended;

(5) by reason of the refusal of any person to act under the same, or to advance any money intended to be thereby secured, or by the refusal or non-acceptance of any office thereby granted, totally fails of the intended purpose;

(6) becomes useless in consequence of the transaction intended to be thereby effected being effected by some other instrument between the same parties and bearing a stamp of not less value;

(7) is deficient in value and the transaction intended to be thereby effected has been effected by some other instrument between the same parties and bearing a stamp of not less value;

(8) is inadvertently and undesignedly spoiled, and in lieu whereof another instrument made between the same parties and for the same purpose is executed and duly stamped:

Provided that, in the case of an executed instrument, no legal proceeding has been commenced in which the instrument could or would have been given or offered in evidence and that the instrument is given up to be cancelled.

Explanation.- Every certificate or endorsement or note made by the Collector under section 35 that the proper or deficit duty with which an instrument is chargeable, has been paid, is an impressed stamp within the meaning of this section.

52. The application for relief under section 51 shall be made within the following periods, that is to say-

Application for relief under section 51 when to be made.

(1) in the case mentioned in clause (c) (5), within two months of the date of the instrument;

(2) in the case of a stamped paper on which no instrument has been executed by any of the parties thereto, within six months after the stamp has been spoiled;

(3) in the case of a stamped paper in which an instrument has been executed by any of the parties thereto, within six months after the date of the instrument or if it is not dated, within six months after the execution thereof by the person by whom it was first or alone executed:

Provided that-

(a) when the spoiled instrument has been for sufficient reasons sent out of State, the application may be made within six months after it has been received back in State;

(b) when, from unavoidable circumstances, any instrument for which another instrument has been substituted, cannot be given up to be cancelled within the aforesaid period, the application may be made within six months after the date of execution of the substituted instrument.

53. (a) When any person has inadvertently used for an instrument chargeable with duty, a stamp of a description other than that prescribed for such instrument by the rules made under this Act, or a stamp of greater value than was necessary or has inadvertently used any stamp for an instrument not chargeable with any duty; or

Allowance for misused stamps.

(b) When any stamp used for an instrument has been inadvertently rendered useless under section 14, owing to such instrument having been written in contravention of the provisions of section 12,

the Collector may, on application made within six months after the date of the instrument, or if it is not dated, within six months after execution thereof by the person, by whom it was first or alone executed, and upon the instrument, if chargeable with duty, being re-stamped with the proper duty, cancel and allow as spoiled the stamp so misused or rendered useless.

54. In any case in which allowance is made for spoiled or misused stamps, the Collector may give in lieu thereof-

Allowance for spoiled or misused stamps how to be made.

(a) other stamps of the same description and value; or

(b) if required and he thinks fit, stamps of any other description to the same amount in value; or

(c) at his discretion, to the same value in money, deducting ten paise for each rupee or fraction of a rupee.

55. When any person is possessed of a stamp or stamps which have not been spoiled or rendered unfit or useless for the purpose intended, but for which he has no immediate use, the Collector shall repay to such person the value of such stamp or stamps in money, deducting ten paise for each rupee or portion of a rupee, upon such person delivering up the same to be cancelled, and proving to the Collector's satisfaction-

Allowance for stamps not required for use.

(a) that such stamp or stamps were purchased by such person with a bonafide intention to use them;

(b) that he has paid the full price thereof; and

(c) that they were so purchased within the period of six months next preceding the date on which they were so delivered:

Provided that, where the person is a licensed vendor of stamps, the Collector may, if he thinks fit, make the repayment of the sum actually paid by the vendor without any such deduction as aforesaid.

CHAPTER – VI.

REFERENCE AND REVISION.

Control of, and statement of case to, Chief Controlling Revenue Authority.

56. (1) The powers exercisable by a Collector under Chapter IV and Chapter V and under clause (a) of the first proviso to section 27 shall in all cases be subject to the control of the Chief Controlling Revenue Authority.

(2) If any Collector, acting under section 34, section 43 or section 44, feels doubt as to the amount of duty with which any instrument is chargeable, he may draw up a statement of the case, and refer it, with his own opinion thereon, for the decision of the Chief Controlling Revenue authority.

(3) The Chief Controlling Revenue Authority shall consider the case and send a copy of its decision to the Collector, who shall proceed to assess and charge the duty, if any, in conformity with such decision.

Statement of case by Chief Controlling Revenue Authority to the High Court.

57. (1) The Chief Controlling Revenue Authority may state any case referred to it under sub-section (2) of section 56, or otherwise, coming to its notice, and refer such case, with its own opinion thereon to the High Court of Madras.

(2) Every such case shall be decided by not less than three Judges of the High Court and in case of difference, the opinion of the majority shall prevail.

Power of High Court to call for further particulars as to case stated.

58. If the High Court is not satisfied that the statements contained in the case are sufficient to enable it to determine the questions raised thereby, the Court may refer the case back to the Revenue Authority by which it was stated, to make such additions thereto or alterations therein as the Court may direct in that behalf.

Procedure in disposing of case stated.

59. (1) The High Court, upon the hearing of any case, shall decide the questions raised thereby, and shall deliver its judgment thereon containing the grounds on which the decision is founded.

(2) The Court shall send to the Revenue Authority by which the case was stated, a copy of such judgment under the seal of the Court and signature of the Registrar; and the Revenue Authority shall, on receiving such copy, dispose of the case conformably to such judgment.

Statement of case by other Courts to High Court.

60. (1) If any Court, other than a High Court, feels doubt as to the amount of duty to be paid in respect of any instrument under proviso (a) to section 38, the Judge may draw up a statement of the case and refer it, with his own opinion thereon, for the decision of the High Court to which, if he were the Chief Controlling Revenue Authority, he would, under section 57, refer the same.

(2) Such Court shall deal with the case as if it had been referred under section 57, and send a copy of its judgment under the seal of the Court and the signature of the Registrar to the Chief Controlling Revenue Authority and another like copy to the Judge making the reference, who shall, on receiving such copy, dispose of the case conformably to such judgment.

(3) References made under sub-section (1), when made by a Court subordinate to a District Court, shall be made through the District Court, and, when made by any subordinate Revenue Court, shall be made through the Court immediately superior.

Central Act 2
of 1974.

61. (1) When any Court in the exercise of its civil or revenue jurisdiction or any Criminal Court in any proceeding under Chapter IX or Chapter X of the Code of Criminal Procedure, 1973 makes any order admitting any instrument in evidence as duly stamped or as not requiring a stamp, or upon payment of duty and penalty under section 38, the Court to which appeals lie from, or reference are made by, such first-mentioned Court, may, of its own motion or on the application of Collector take such order into consideration.

Revision of certain decisions of Courts regarding the sufficiency of stamps.

(2) If such Court, after such consideration, is of opinion that such instrument should not have been admitted in evidence without the payment of duty and penalty under section 38, or without the payment of a higher duty and penalty than those paid, it may record a declaration to that effect, and determine the amount of duty with which such instrument is chargeable, and may require any person in whose possession or power such instrument then is, to produce the same and may impound the same when produced.

(3) When any declaration has been recorded under sub-section (2), the Court recording the same shall send a copy thereof to the Collector, and, where the instrument to which it relates has been impounded or is otherwise in the possession of such Court, shall also send him such instrument.

(4) The Collector may, thereupon, notwithstanding anything contained in the order admitting such instrument in evidence or in any certificate granted under section 45, or in section 46, prosecute any person for any offence against the Stamp law which the Collector considers him to have committed in respect of such instrument:

Provided that-

(a) no such prosecution shall be instituted where the amount, including duty and penalty, which according to the determination of such Court, was payable in respect of the instrument under section 38, is paid to the Collector, unless he thinks that the offence was committed with an intention of evading payment of the proper duty;

(b) except for the purpose of such prosecution, no declaration made under this section shall affect the validity of any order admitting any instrument in evidence, or of any certificate granted under section 45.

CHAPTER – VII.

CRIMINAL OFFENCES AND PROCEDURE.

62. (1) Any person executes or signs otherwise than as a witness any instrument chargeable with duty without the same being duly stamped shall, for every such offence be punished with fine which may extend to five thousand rupees:

Penalty for executing, etc. instrument not duly stamped.

Provided that, when any penalty has been paid in respect of any such instrument, the amount of such penalty shall be allowed in reduction of the fine, if any, subsequently imposed under this section in respect of the same instrument upon the person who paid such penalty.

(2) If a share-warrant is issued without being duly stamped, the company issuing the same, and also every person who, at the time when it is issued, is the managing director or secretary or other principal officer of the company, shall be punishable with fine which may extend to five thousand rupees.

63. Any person required by section 11 to cancel an adhesive stamp, failing to cancel such stamp in the manner prescribed by that section, shall be punishable with fine, which may extend to five hundred rupees.

Penalty for failure to cancel adhesive stamp.

64. Where the party fails to pay the difference of duty as required under sub-section (3) or sub-section (4), or any amount as required under sub-section (5), of section 19, he shall be punishable with a fine up to five thousand rupees.

Penalty for failure to comply with provisions of section 19.

65. Any person who, with intent to defraud the Government,-

(a) executes any instrument in which all the facts and circumstances required by section 28 to be set forth in such instrument are not fully and truly set forth; or

(b) being employed or concerned in or about the preparation of any instrument neglects or omits to fully and truly set forth therein all such facts and circumstances; or

Penalty for omission to comply with provisions of section 28.

(c) does any other act calculated to deprive the Government of any duty or penalty under this Act, shall be punished with simple imprisonment for a term which may extend to one year, or with a fine which may extend to fifty thousand rupees, or with both.

Recovery of amount of deficit stamp duty.

66. (1) Where any person liable to pay duty under this Act is convicted of an offence under section 65 in respect of any instrument, the Magistrate shall, in addition to the punishment which may be imposed for such offence, recover summarily and pay to the Collector, the amount of duty, due under this Act from such person in respect of that instrument and the Collector shall thereupon certify by endorsement on that instrument that proper duty has been levied in respect thereof:

Provided that if such person has already paid any amount towards the duty payable under this Act in respect of the instrument in relation to which he was convicted, the Magistrate shall, recover only the difference in the amount of duty.

(2) The amount recoverable under sub-section (1) shall be recovered by the Magistrate, as if it were a fine imposed under the Code of Criminal Procedure, 1973.

Central Act 2
of 1974.

Penalty for breach of rule relating to sale of stamps and for unauthorized sale.

67. Any person appointed to sell stamps who disobeys any rule made under section 71 and any person not so appointed who sells or offers for sale any stamp other than a one rupee adhesive stamp, shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to five thousand rupees, or with both.

Institution and conduct of prosecutions.

68. (1) No prosecution in respect of any offence punishable under this Act or any Act hereby repealed, shall be instituted without the sanction of the Collector or such other Officer as the Government generally, or the Collector specially authorises in that behalf.

(2) The Chief Controlling Revenue Authority, or any Officer generally or specially authorised by it in this behalf, may stay any such prosecution or compound any such offence by collecting an amount not exceeding five thousand rupees in addition to the duty payable.

(3) The amount of any such composition shall be recoverable in the manner provided in section 50.

Place of trial.

69. Every offence under this Act committed in respect of any instrument may be tried in any district or a metropolitan area in which such instrument is executed or found or where such offence is triable under the Code of Criminal Procedure, 1973.

Central Act 2
of 1974.

CHAPTER – VIII.

SUPPLEMENTAL PROVISIONS.

Books, etc. to be open to inspection.

70. Every public officer having in his custody any registers, books, papers, documents, records, information in electronic storage and retrieval device or medium or proceedings, the inspection whereof may tend to secure any duty, or to prove or lead to the discovery of any fraud or omission in relation to any duty, shall at all reasonable times permit any person authorized in writing by the Collector to inspect for such purpose the registers, books, papers, documents, records and information in electronic storage and retrieval device or medium and proceedings and to take such notes and extracts, as he may deem necessary, without fee or charge.

Power to make rules.

71. (1) The Government may make rules to carry out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for-

(a) the supply and sale of stamps and stamped papers;

(b) the proper use of stamps and stamp papers and the prevention of misuse of such stamp and stamp papers;

(c) the persons by whom alone such sale is to be conducted;

(d) the duties and remuneration of such persons;

(e) imposition of fine, not exceeding five thousand rupees, for breach of any provision of the rules.

(3) (a) All rules made under this Act shall be published in the *Tamil Nadu Government Gazette* and, unless they are expressed to come into force on a particular date, shall come into force on the date on which they are so published;

(b) All notifications issued under this Act, shall, unless they are expressed to come into force on a particular date, come into force on the date on which they are so published.

(4) Every rule made or notification or order issued under this Act, shall, as soon as possible, after it is made or issued, be placed on the table of the Legislative Assembly and if, before the expiry of the session, in which it is so placed or the next session, the Legislative Assembly agrees in making any modification in any such rule or notification or order or the Legislative Assembly decides that the rule, or notification or order should not be made or issued, the rule or notification or order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule, or notification or order.

72. (1) The Government may, by notification, delegate all or any of their powers under this Act except those conferred upon them by sub-section (3) of section 1, section 71 and this section, to any person or authority subordinate to the Government and may in like manner withdraw any power so delegated.

Delegation of powers.

(2) The exercise of any power delegated under sub-section (1) shall be subject to such restrictions, limitations and conditions, if any, as may be laid down by the Government, and shall also be subject to control and revision by them.

73. Nothing contained in this Act shall be deemed to affect the duties chargeable under any enactment for the time being in force relating to Court-fees.

Saving as to Court-fees.

74. The amount of duty payable or of allowance to be made under this Act shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee and if such part is less than fifty paise, it shall be ignored.

Rounding off of duty or allowance.

Central Act II of 1899

75. (1) The Indian Stamp Act, 1899 as, in force in the State of Tamil Nadu, shall, notwithstanding anything contained in any law, extends to the whole of the State of Tamil Nadu and shall remain in force in so far as such Act relates to the matter specified in entry 44 of List III of the Seventh Schedule to the Constitution in respect of documents specified in entry 91 of List I of the said Schedule.

Application of the Indian Stamp Act, 1899.

Central Act II of 1899

(2) Save as provided in sub-section (1), the Indian Stamp Act, 1899, as in force in the State of Tamil Nadu, in so far as it relates to the matter specified in entry 44 of List III of the Seventh Schedule to the Constitution, in respect of documents, falling under entry 63 of List II of the said Schedule, is hereby repealed:

Provided that such repeal shall not affect-

(a) the previous operation of the said enactments or anything duly done or suffered thereunder;

(b) any right, privilege, obligation or liability acquired, accrued or incurred under the said enactments;

(c) any penalty, forfeiture or punishment incurred in respect of any offence committed against the said enactments; or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, forfeiture or punishment as aforesaid, and

any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

THE SCHEDULE.

STAMP DUTY ON INSTRUMENTS.

(See section 3)

Description of Instrument.	Proper Stamp duty.
(1)	(2)
<p>Article 1. Acknowledgement of a debt exceeding five thousand rupees in amount or value, written or signed by, or on behalf of, a debtor in order to supply evidence of such debt in any book (other than a banker's pass-book) or on a separate piece of paper when such book or paper is left in the creditor's possession:</p> <p>Provided that such acknowledgment does not contain any promise to pay the debt or any stipulation to pay interest or to deliver any goods or other property.</p>	One rupee
<p>Article 2. Administration bond including a bond given under section 291 or section 375 of the Indian Succession Act, 1925 (Central Act XXXIX of 1925) or section 6 of the Government Savings Banks Act, 1873 (Central Act V of 1873).</p>	Four rupees for every one hundred rupees or part thereof of the value of the bond subject to a maximum of five thousand rupees.
<p>Article 3. Adoption Deed, that is to say, any instrument (other than a will) recording an adoption or conferring or purporting to confer an authority to adopt.</p>	One thousand rupees.
<p>Article 4. Affidavit, including an affirmation or declaration in the case of persons by law allowed to affirm or declare instead of swearing.</p>	One hundred rupees.
<p><u>Exemptions.</u>- Affidavit or declaration in writing when made-</p> <p>(a) as a condition of enlistment under the Army Act, 1950(Central Act XLVI of 1950);</p> <p>(b) for the immediate purpose of being filed or used in any Court or before the officer of any Court; or</p> <p>(c) for the sole purpose of enabling any person to receive any pension or charitable allowance.</p>	
<p>Article 5. Agreement or Memorandum of an Agreement-</p> <p>(1) (A) if relating to the sale of a bill of exchange;</p> <p>(B) if relating to the purchase or sale of a Government Security;</p> <p>(C) if relating to the purchase or sale of shares, scrips, stocks, bonds, debentures, debenture stocks or any other marketable security of a like nature in or of any incorporated company or other body corporate-</p> <p>(i) When such Agreement or Memorandum of an agreement is with or through a member or between members of Stock exchange recognized under the Securities Contracts (Regulation) Act, 1956 (Central Act 42 of 1956)</p>	<p>One rupee for every ten thousand rupees or part thereof of the value at the time of its purchase or sale, as the case may be, subject to a maximum of one hundred rupees.</p> <p>Fifty paise for every one lakh rupees or part thereof of the value of the security at the time of its purchase or sale, as the case may be.</p>

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
(a) in case of delivery of Securities;	One rupee for every ten thousand rupees or part thereof of the value of the security at the time of its purchase or sale, as the case may be.
(b) in case of non-delivery of Securities;	Thirty paise for every ten thousand rupees or part thereof of the value of the security at the time of its purchase or sale, as the case may be
(c) in case of options in Securities;	Thirty paise for every ten thousand rupees or part thereof of the value of the security at the time of its purchase or sale, as the case may be.
(ii) in any other case;	One rupee for every ten thousand rupees or part thereof of the value of the security at the time of its purchase or sale, as the case may be.
<i>Explanation.</i> —For the purpose of this Article, the expression “Option in Securities” shall have the same meaning assigned to it in section 2 (d) of the Securities Contracts Regulation Act, 1956 (Central Act 42 of 1956).	
(D) if relating to forward contracts of commodities other than food items but including spices and sale or purchase of currencies, through an association or otherwise.	One rupee for every ten thousand rupees or part thereof of the value of such goods at the time of its purchase or sale, as the case may be.
(2) if relating to sale of immovable property.	One rupee for every one hundred rupees or part thereof on the intended sale consideration.
(3) if relating to,-	
(a) any advertisement on mass media, made for promotion of any product; or programme or event with an intention to make profits or business out of it;	Two rupees for every one thousand rupees or part thereof on the amount agreed in the contract.
(b) conferring exclusive rights for telecasting, broadcasting or exhibition of an event or a film;	Two rupees and fifty paise for every one thousand rupees or part thereof on the amount agreed in the contract
(c) specific performance by any person or a group of persons where the value of contract exceeds rupees one lakh.	Two rupees for every one thousand rupees or part thereof on the amount agreed in the contract.
(4) if relating to construction of building.	One rupee for every one hundred rupees or part thereof of the cost of the proposed construction or the value of construction or the consideration specified in the agreement, whichever is higher.
<i>Explanation.</i> —For the purpose of this clause, “building” includes any unit, residential, commercial, institutional, industrial or otherwise proposed to be constructed on an undivided share of land.	
(5) if not otherwise provided for.	One hundred rupees.
<i>Exemption.</i> —Agreement or memorandum of agreement for or relating to the purchase or sale of goods or merchandise exclusively not being an agreement or memorandum of agreement chargeable under clause 1 (D) of this Article or a note or memorandum chargeable under Article 38.	

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
<p>Article 6. Agreement relating to Deposit of title deeds, Pawn, Pledge or Hypothecation, that is to say, any instrument evidencing an agreement relating to –</p> <p>(1) the deposit of title-deeds or instruments constituting or being evidence of the title to any property whatever (other than a marketable security); where such deposit has been made by way of security; or</p> <p>(2) the pawn or pledge of movable property where such deposit, pawn, pledge or hypothecation has been made by way of security for the repayment of money advanced or to be advanced by way of loan or an existing or future debt.</p> <p><i>Explanation.</i>—For the purpose of this Article, notwithstanding anything contained in any judgment, decree or order of any Court or order of any authority, any letter, note, memorandum or writing relating to the deposit of title deeds whether written or made either before or at the time when or after the deposit of title deeds is effected, and if it is in respect of security for any loan, such letter, note, memorandum or writing shall be deemed to be instrument evidencing an agreement relating to the deposit of title deeds.</p> <p><i>Exemption.</i>—(i) Letter of hypothecation accompanying a bill of exchange.</p> <p>(ii) Instrument of pawn or pledge of goods, if unattested.</p>	<p>0.5 percent of the amount secured by such deed.</p> <p>0.5 percent of the amount secured by such deed.</p>
<p>Article 7. Appointment in execution of power, whether of trustees or of property, movable or immovable, where made by any writing not being a will.</p>	<p>One hundred rupees.</p>
<p>Article 8. Appraisalment or valuation, made otherwise than under an order of a Court in the course of a suit.</p>	<p>One hundred rupees.</p>
<p>Article 9. Apprenticeship deed, including every writing relating to the service of tuition of any apprentice, clerk or servant, placed with any master to learn any profession, trade or employment.</p>	<p>One hundred rupees.</p>
<p>Article 10. Articles of Association of a Company.</p>	<p>One thousand rupees for every five lakh rupees or part thereof of the share capital subject to a maximum of fifty lakh rupees.</p>
<p><i>Exemption.</i>- Articles of any Association, not formed for profit and, registered under section 25 of the Companies Act, 1956 (Central Act 1 of 1956).</p>	
<p>Article 11. Assignment of debt, that is to say, any instrument evidencing,-</p> <p>(a) acquisition of rights or interest in financial assets of a reconstruction company or securitisation company as provided in section 5 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (Central Act 54 of 2002);</p>	<p>0.5 percent on the consideration amount.</p>

Description of Instrument.	Proper Stamp duty.
(1)	(2)
<p>(b) instruments of securitisation of loans or of assignment of debts with underlying securities and made by or in favour of financial institutions as defined in section 2 (m) of the said Central Act 54 of 2002.</p>	0.5 percent on the value of the financial assets.
<p>Article 12. Award, that is to say, any decision in writing by an arbitrator or umpire, not being an award directing a partition, on a reference made otherwise than by an order of a Court in the course of a suit—</p> <p>(i) if it relates to money claim;</p> <p>(ii) if a right or liability is or purports to be created, transferred, limited, extended, extinguished or recorded in respect of immovable property;</p> <p>(iii) in any other case</p>	<p>One percent on the amount of award subject to a maximum of one thousand rupees.</p> <p>Two percent on the market value of the property.</p> <p>One thousand rupees.</p>
<p>Article 13. Bond as defined in section 2 (3) not being a Debenture and not being otherwise provided for by this Act, or by the Tamil Nadu Court-fees and Suits Valuation Act, 1955 (Tamil Nadu Act XIV of 1955).</p>	One percent of the amount or value secured.
<p>Article 14. Bottomry bond, that is to say, any instrument whereby the master of a Seagoing ship borrows money on the security of the ship to enable him to preserve the ship or prosecute its voyage.</p>	One rupee for every one hundred rupees or part thereof of the debt.
<p>Article 15. Cancellation—</p> <p>Instrument of (including any instrument by which any instrument previously executed is cancelled) if attested and not otherwise provided for—</p> <p>(a) if it is of sale or exchange or gift or release or settlement or partition;</p> <p>(b) in any other case.</p> <p><u>Exemption.</u>—Instrument of Cancellation or Revocation of a Will.</p>	<p>Same duty as borne by the principal deed.</p> <p>One thousand rupees.</p>
<p>Article 16. Certificate of Enrolment, in the roll of Advocates prepared and maintained by the State Bar Council under the Advocates Act, 1961 (Central Act 25 of 1961).</p>	Seven hundred rupees.
<p>Article 17. Certificate of Sale (in respect of each property put up as a separate lot and sold), granted to the purchaser of any property sold by public auction by a Civil or Revenue Court or Collector or other Officer of the Government or any other authority empowered to under any enactment to sell property by public auction.</p>	The same duty as a Conveyance (Article 21) for a market value equal to the amount of the purchase money only.
<p>Article 18. Certificate or other document, electronic or otherwise, evidencing the right or title of the holder thereof, or any other person, either to any shares, scrip or stock in or of any incorporated company or other body corporate, or to become proprietor of shares, scrip or stock in or of any such company or body.</p> <p><u>Explanation.</u>—For the purpose of this Article, the value of the share, scrip or stock includes the amount of premium, if any.</p>	One rupee for every one thousand rupees or part thereof of the value of shares, scrip or stock

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
<p>Article 19. Charter-Party, that is to say, any instrument (except an agreement for the hire of a tug steamer) whereby a vessel or some specified principal part thereof is left for the specified purposes of the charter, whether it includes a penalty clause or not.</p>	One hundred rupees.
<p>Article 20. Composition Deed, that is to say, any instrument executed by a debtor, whereby he conveys his property for the benefit of his creditors, or whereby payment of a composition or dividend on their debts is secured to the creditors, or whereby provision is made for the continuance of the debtor's business, under the supervision of Inspectors or under letters of licence, for the benefit of his creditors.</p>	One hundred rupees.
<p>Article 21. Conveyance (as defined in section 2 (8), not being a Transfer charged or exempted under Article 53)-</p> <p>(a) of immovable property;</p> <p>(b) if relating to the order of High Court in respect of amalgamation or reconstruction of companies under section 394 of the Companies Act, 1956 (Central Act 1 of 1956) or if relating to the order of the Reserve Bank of India under section 44A of the Banking Regulation Act, 1949 (Central Act 10 of 1949);</p> <p>(c) of movable property other than in clause (c) above.</p> <p><i>Explanation (i).</i>—For the purposes of clause (b) the market value of shares,-</p> <p>(a) in relation to the transferee company, whose shares are listed and quoted for trading on a stock exchange, means the market value of shares as on the appointed day mentioned in the Scheme of Amalgamation or when appointed day is not so fixed, the date of order of the High court; and</p> <p>(b) in relation to the transferee company, whose shares are not listed or listed, but not quoted for trading on a stock exchange, means the market value of the shares issued or allotted with reference to the market value of the shares of the transferor company or as determined by the Collector after giving the transferee company an opportunity of being heard.</p> <p><i>Explanation (ii).</i>—For the purposes of clause (b), the number of shares issued or allotted in exchange or otherwise shall mean, the number of shares of the transferor company accounted as per exchange ratio as on the appointed date.</p> <p><i>Exemption.</i>—Assignment of Copy right under section 18 of the Copyright Act, 1957 (Central Act 14 of 1957).</p>	<p>Five rupees for every hundred rupees or part thereof on the market value of the property which is the subject matter of conveyance.</p> <p>(i) 2 per cent of the market value of the immovable property of the transferor company, which is the subject matter of the conveyance; or (ii) 0.6 per cent of the aggregate of the market value of the shares or other marketable securities which is the subject matter of the conveyance, issued or allotted in exchange or otherwise, and the amount of consideration paid for such amalgamation, whichever is higher.</p> <p>Five rupees for every one hundred rupees or part thereof on the value of the property set forth in the instrument.</p>

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
<p>Article 22. Copy or extract certified to be a true copy or extract, by or order of any public officer and not chargeable under the law for the time being in force relating to the court fees-</p> <p><u>Exemption.</u>- (a) Copy of any paper which a public officer is expressly required by law to make or furnish for record in any public office or for any public purpose.</p> <p>(b) Copy of or extract from any register relating to births, baptisms, aiming, dedications, marriages, divorces, deaths or burials.</p>	One hundred rupees.
<p>Article 23. Counterpart or Duplicate of any instrument, chargeable with duty and in respect of which the proper duty has been paid.</p> <p><u>Exemption.</u>—Counterpart of any lease granted to a cultivator when such lease is exempted from duty.</p>	One hundred rupees.
<p>Article 24. Customs bond or Excise bond, that is to say, any bond given pursuant to the provisions of any law for the time being in force or to the direction of any Officer of the Customs or Excise for, or in respect of, any of the duties of the Customs or Excise or for preventing frauds or evasions thereof or for any other matter or thing relating thereto.</p>	One hundred rupees.
<p>Article 25. Delivery order in respect of goods, that is to say, any instrument entitling any person therein named, or his assigns or the holder thereof to the delivery of any goods lying in any dock or port or in any warehouse in which goods are stored or deposited on rent or hire, or upon any wharf, such instrument being signed by or on behalf of the owner of such goods, upon the sale or transfer of the property therein, when the value of such goods exceed one thousand rupees.</p>	One hundred rupees.
<p>Article 26. Divorce-</p> <p>Instrument of, that is to say, any instrument by which any person effects the dissolution of his marriage.</p>	One hundred rupees.
<p>Article 27. Exchange of property- Instrument of</p>	The same duty as a Conveyance (Article 21) for a market value equal to the market value of the property of greater value which is the subject matter of exchange.
<p>Article 28. Further Charge—</p> <p>Instrument of, that is to say, any instrument imposing a further charge on mortgaged property-</p> <p>(a) when the original mortgage is one of a description referred to in clause (a) of Article 35 (Mortgage with possession);</p> <p>(b) when such mortgage is one of a description referred to in clause (b) of Article 35 (Mortgage without possession),-</p> <p>(i) if at the time of execution of the instrument of further charge, possession of the property is given, or agreed to be given under such instrument;</p> <p>(ii) if possession is not so given.</p>	<p>Three rupees for every one hundred rupees or part thereof of the amount of the further charge secured by such instrument.</p> <p>Three rupees for every one hundred rupees or part thereof of the amount of the charge (including the original mortgage and any further charge already made) less the duty already paid on such original mortgage and further charge.</p> <p>One rupee for every one hundred rupees or part thereof of the amount of the further charge secured by such instrument.</p>

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
<p>Article 29. Gift-</p> <p>Instrument of, not being a Settlement or Will or transfer (Article 53),</p> <p>(i) in favour of family member;</p> <p>(ii) in any other case.</p> <p><i>Explanation.</i>—For the purpose of this Article, the word 'family' shall have the same meaning as defined under Article 40.</p> <p>Article 30. Indemnity bond.</p> <p>Article 31. Lease, including an under lease or sub-lease and any agreement to let or sub-let-</p> <p>(a) where the period of lease does not exceed thirty years;</p> <p>(b) where the period of lease exceeds thirty years but does not exceed one hundred years;</p> <p>(c) where the period of lease exceeds one hundred years;</p> <p><i>Exemption.</i>—Lease executed in the case of cultivator and for the purposes of cultivation (including a lease of trees for the production of food or drink) without the payment or delivery of any fine or premium, when a definite term is expressed and such term does not exceed one year, or when the average annual rent reserved does not exceed one hundred rupees.</p> <p><i>Explanation.</i>—When a lessee undertakes to pay any recurring charge, such as Government revenue, the Landlord's share of cesses or the owner's share of municipal rates or taxes, which is by law recoverable from the lessor, the amount so agreed to be paid by the lessee shall be deemed to be part of the rent.</p>	<p>One rupee for every one hundred rupees or part thereof of the market value of the property which is the subject matter of Gift.</p> <p>The same duty as a Conveyance (Article 21) for the market value of the property which is the subject matter of Gift.</p> <p>Two hundred rupees.</p> <p>One rupee for every one hundred rupees or part thereof of the whole amount of rent and fine, premium or advance.</p> <p>Five rupees for every one hundred rupees or part thereof of the whole amount of rent and fine, premium or advance.</p> <p>Five rupees for every one hundred rupees or part thereof on the market value of the property which is the subject matter of lease:</p> <p>Provided that when an agreement to lease is stamped with the <i>ad valorem</i> stamp required for a lease and a lease in pursuance of such agreement is subsequently executed, the duty on such lease shall not exceed one hundred rupees.</p>
<p>Article 32. Letter of allotment of shares in any company, or proposed company or in respect of any loan to be raised by any company or proposed company.</p>	<p>Ten rupees.</p>
<p>Article 33. Letter of Licence, that is to say, any agreement between a debtor and his creditor that the latter shall, for a specified time, suspend their claims and allow the debtor to carry on business at his own discretion.</p>	<p>One hundred rupees.</p>
<p>Article 34. Memorandum of Association of a Company—</p> <p>(a) if accompanied by Articles of Association under the Companies Act, 1956 (Central Act I of 1956);</p> <p>(b) if not so accompanied.</p>	<p>Five hundred rupees.</p> <p>The same duty as leviable on Articles of Association under Article 10.</p>

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
<p><u>Exemption.</u>—Memorandum of Association of a company not formed for profit and registered under the Companies Act, 1956 (Central Act 1 of 1956).</p>	
<p>Article 35. Mortgage deed, not being an Agreement relating to Deposit of title deeds, Pawn, Pledge or Hypothecation (Article 6), Bottomry bond (Article 14), Mortgage of a crop (Article 36), Respondentia bond (Article 47) or Security bond (Article 48),-</p> <p>(a) when possession of the immovable property or any part of the property comprised in such deed is given or agreed to be given by the mortgagor;</p> <p>(b) when possession is not given or agreed to be given as aforesaid.</p> <p><u>Explanation.</u>—(1) A mortgagor who gives or has given to the mortgagee a power of attorney to collect rents or gives or has given to the mortgagee a lease, of the property mortgaged or part thereof, is deemed to have given possession thereof within the meaning of this Article.</p> <p>(2) Where in the case of an agreement to mortgage the amount or part thereof sought to be secured by such an agreement is advanced or disbursed to the mortgagor without execution of a mortgage deed, then such an agreement to mortgage shall notwithstanding anything contained in clause (21) of section 2, become chargeable under this Article as mortgage deed on the date of making of such advance or disbursement, either in part or in whole.</p> <p>(c) when a collateral or auxiliary or additional or substituted security, or by way of further assurance for the above mentioned purpose where the principal or primary security is duly stamped.</p> <p><u>Exemption.</u>—Instruments executed by persons taking advances under the Land Improvement Loans Act, 1883 (Central Act 19 of 1883), or the Agriculturists Loans Act, 1884 (Central Act 12 of 1884) or by their sureties as security for the repayment of such advances.</p>	<p>Three rupees for every one hundred rupees or part thereof of the amount secured by such deed.</p> <p>One rupee for every one hundred rupees or part thereof of the amount secured.</p> <p>0.5 per cent on the principal amount secured.</p>
<p>Article 36. Mortgage of a crop, including any instrument evidencing an agreement to secure the repayment of a loan made upon any mortgage of a crop, whether the crop is or is not in existence at the time of the mortgage.</p>	<p>0.5 per cent on the amount secured by such deed.</p>
<p>Article 37. Notarial Act, that is to say, any instrument, endorsement, note, attestation, certificate or entry not being a Protest (Article 43) made or signed by a Notary in the execution of the duties of his office or by any other person lawfully acting as a Notary.</p>	<p>Twenty rupees.</p>
<p>Article 38. Note or Memorandum sent by a broker or agent to his principal intimating the purchase or sale on account of such principal-</p> <p>(a) of any goods exceeding in value of twenty rupees.</p> <p>(b) of any stock or marketable security exceeding in value of one hundred rupees.</p>	<p>One rupee.</p> <p>Forty paise for every ten thousand rupees or part thereof of the value of the stock or security.</p>

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
Article 39. Note of Protest by the Master of a Ship.	Twenty rupees.
Article 40. Partition- Instrument of [as defined in section 2 (17)],- (a) if the instrument of partition is among family members; (b) in any other case.	One rupee for every one hundred rupees or part thereof of the market value of each share of the property which is under partition. Four rupees for every one hundred rupees or part thereof of the market value of each share of the property which is under partition. Provided that- (a) when an instrument of partition containing an agreement to divide property in severalty is executed and a partition is effected in pursuance of such agreement, the duty chargeable upon the instrument effecting such partition shall be reduced, by the amount of duty paid in respect of the first instrument, but shall not be less than one hundred rupees. (b) where a final order for effecting a partition passed by any Revenue Authority or any Civil Court, or an award by an Arbitrator directing a partition is stamped with the stamp required for an instrument of partition in pursuance of such order or award is subsequently executed, the duty on such instrument shall not exceed one hundred rupees.
<u>Explanation.</u> - For the purpose of this Article, 'family' means father, mother, husband, wife, son, daughter, wife of predeceased son, husband of predeceased daughter, grandchild, brother or sister.	
Article 41. Partnership- (a) Instrument of Partnership; (b) Partition of properties of a firm whether involving dissolution or not,- (i) if among family members; (ii) if among persons who are not family members; (c) Dissolution of a firm, which does not involve partition of property;	One thousand rupees. One rupee for every one hundred rupees or part thereof of the market value of each share which is under partition. Seven rupees for every one hundred rupees or part thereof of the market value of each share which is under partition. Three hundred rupees.
<u>Explanation.</u> —For the purpose of this Article, the word 'family' shall have the same meaning as defined in the Explanation under Article 40.	
Article 42. Power of Attorney (as defined in section 2(22) not being a proxy)- (a) when executed for the sole purpose of procuring the registration of one or more documents in relation to a single transaction or for admitting execution of one or more such documents; (b) when authorizing one or more persons who are family members to act either jointly or severally in one or more transactions other than the cases mentioned in clause (a);	One hundred rupees. One thousand rupees.

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
(c) When authorizing one or more persons who are not family members to act either jointly or severally in one or more transactions other than the case mentioned in clause (a);	Two rupees for every one hundred rupees or part thereof of the market value of the property which is the subject matter of the power of attorney.
(d) When given for consideration and authorizing the attorney to sell any immovable property;	The same duty as a Conveyance (Article 21) for the market value of the property which is the subject matter of the power of attorney.
(e) in any other case.	Five hundred rupees.
<i>Explanation.</i> —For the purpose of this Article, the word ‘family’ shall have the same meaning as defined in the Explanation under Article 40.	
Article 43. Protest of Bill or Note, that is to say, any declaration in writing made by a Notary Public, or other person lawfully acting a such, attesting the dishonour of a bill of exchange or promissory note.	One hundred rupees.
Article 44. Protest by the Master of a Ship, that is to say, any declaration of the particulars of her voyage drawn by him with a view to the adjustment of losses or the calculation of averages, and every declaration in writing made by him against the charterers or the consignees for not loading or unloading the ship, when such declaration is attested or certified by a Notary Public or other person lawfully acting as such.	One hundred rupees.
Article 45. Reconveyance of Mortgaged property.	One hundred rupees.
Article 46. Release, that is to say, any instrument (not being a release as provided for by section 24) whereby a person renounces a claim upon another person or against property,-	
(a) between family members;	One rupee for every one hundred rupees or part thereof of the market value of the property which is the subject matter of release.
(b) other than family members.	Seven rupees for every one hundred rupees or part thereof of the market value of the property which is the subject matter of release.
<i>Explanation.</i> —For the purpose of this Article, the word ‘family’ shall have the same meaning as defined under Article 40.	
Article 47. Respondentia bond, that is to say, any instrument securing a loan on the cargo laden or to be laden on board a ship and making repayment contingent on the arrival of the cargo at the port of destination.	One rupee for every one hundred rupees or part thereof of the amount of the loan secured.
Article 48. Security bond or Security mortgage deed executed by way of security for the due execution of an office or to account for money or other property received by virtue thereof, or executed by a surety to secure the due performance of a contract.	One rupee for every one hundred rupees or part thereof for the amount secured.
<i>Exemption.</i> —Bond or other instruments when executed,-	
(a) by persons taking advances under the Land Improvement Loans Act, 1883 (Central Act 19 of 1883) or the Agriculturists’ Loans Act, 1884 (Central Act 12 of 1884) or by their sureties as security for the repayment of such advances.	

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
(b) by officers of the Government or their sureties to secure the due execution of an office or the due accounting for money or other property received by virtue thereof.	
Article 49. Settlement-	
(a) Instrument of (including a deed of a dower)-	
(i) if the instrument of settlement is in favour of a member of a family;	One rupee for every one hundred rupees or part thereof of the market value of the property which is the subject matter of the settlement.
<i>Explanation.</i> —For the purpose of this Article, the word 'family' shall have the same meaning as defined in the Explanation under Article 40.	
(ii) in any other case-	Seven rupees for every one hundred rupees or part thereof of the market value of the property which is the subject matter of settlement.
<i>Exemption</i> —Deed of dower executed on the occasion of a marriage between Mohammedans.	
(b) Revocation of-	Same duty as borne by the settlement deed.
Article 50. Share Warrants to bearer issued under the Companies Act, 1956 (Central Act 1 of 1956).	Nine rupees for every one hundred rupees or part thereof on the amount of sale value of the shares specified in the warrant.
<i>Exemption</i> —Share warrant when issued by a company in pursuance of the Companies Act, 1956 (Central Act 1 of 1956) to have effect only upon payment, as composition for that duty, to the Collector of Stamp revenue, of-	
(a) one and half per centum of the whole subscribed capital of the company, or	
(b) if any company which has paid the said duty or composition in full, subsequently issues an addition to its subscribed capital-one and a half per centum of the additional capital so issued.	
Article 51. Shipping Order for or relating to the conveyance of goods on board of any vessel.	One hundred rupees.
Article 52. Surrender of lease.	Two hundred rupees.
<i>Exemption.</i> —Surrender of lease, when the lease is exempted from duty.	
Article 53. Transfer (whether with or without consideration)-	
(a) of debentures, being marketable securities whether the debenture is liable to duty or not;	One rupee for every one hundred rupees or part thereof for a consideration equal to the face amount of the debenture.
(b) of any interest secured by a bond or mortgaged deed;	One hundred rupees.
(c) of any property under section 22 of the Administrators General Act, 1963 (Central Act 45 of 1963);	One hundred rupees.
(d) of any trust property from one trustee to another trustee of the same trust or from a trustee to a beneficiary.	One hundred rupees.
<i>Exemption</i> —Transfer by endorsement,-	
(a) of a bill of lading, deliver order, warrant for goods or other mercantile document of title to goods;	
(b) of a bill of exchange, cheque or promissory note;	

<i>Description of Instrument.</i>	<i>Proper Stamp duty.</i>
(1)	(2)
(c) of a policy of insurance;	
(d) of securities of the Central Government.	
Article 54. Transfer of Lease by way of assignment and not by way of under lease.	The same duty as a Conveyance (Article 21) for a market value equal to the amount of consideration for the transfer.
<i>Exemption.</i> —Transfer of any lease exempt from duty.	
Article 55. Trust-	
(a) Declaration of- of or concerning, any property when made by writing not being a will.	Two hundred rupees
(b) Revocation of- of or concerning any property when made by any instrument other than will.	Two hundred rupees.
Article 56. Warrant for Goods, that is to say, any instrument evidencing the title of any person therein named, or his assigns, or the holder thereof, to the property in any goods lying in or upon any dock, warehouse or wharf, such instrument being signed on certified by or on behalf of the person in whose custody such goods may be.	One hundred rupees.

STATEMENT OF OBJECTS AND REASONS.

Law relating to stamps in force in the State is contained in the Indian Stamp Act, 1899 (Central Act II of 1899). At present, Bills containing amendments to the said Act have to be referred for the consideration of the President under Article 254 (2) of the Constitution, since it is an existing Law with respect to one of the matter enumerated in the Concurrent List in the Seventh Schedule to the Constitution. Amendments to the said Central Act proposed in the State could not, therefore, be brought into force expeditiously. To facilitate the process of bringing into force the amendments proposed in the State, and to regulate the procedure relating to the levy of stamp duty by the State Government, the Government have decided to enact a separate Law relating to stamps in the State, as has been done in certain other States such as Maharashtra, Gujarat, Karnataka, Kerala and Rajasthan.

2. The Bill seeks to give effect to the above decision.

B.V. RAMANAA
*Minister for Commercial Taxes
and Registration.*

MEMORANDUM REGARDING DELEGATED LEGISLATION

Several clauses of the Bill authorize the Government to issue notifications or orders or to make rules, as the case may be, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

B.V. RAMANAA

*Minister for Commercial Taxes
and Registration.*

A.M.P. JAMALUDEEN,
Secretary.