



REAL ESTATE

MAHARASHTRA STAMP DUTY AMNESTY SCHEME: REGULARISE DEFICIENT STAMP DUTY BY PAYING 10% PENALTY

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Maharashtra State Government vide its notification on Stamp Duty Deficit Penalty Reduction Amnesty Scheme, which has been notified on 2nd March 2019, has introduced the amnesty scheme. This scheme is mainly for property holders / buyers in the State who have not paid appropriate Stamp Duty at the time of executing and registering their property document.

The amnesty scheme introduced under the provisions of Section 9 of the Maharashtra Stamp Act, 1958 is valid for a period of 6 months beginning from the date of announcement i.e. 2nd March 2019 till 31st August 2019. The object of this scheme is to accord an opportunity to the property holders / buyers to regularize their purchase by paying apt stamp duty within the stipulated tenure of 6 months.

The decision also focuses to promote and assist the residents of housing societies, especially those under Maharashtra Housing and Area Development Authority (MHADA), the City and Industrial Development Corporation (CIDCO) and the Slum Rehabilitation Authority (SRA), to pay pending dues and complete the conveyance / transfer.

Prior to the launch of this amnesty scheme, unpaid stamp duty or deficit stamp duty on conveyance / transfer attracted penalty at the rate of 4% per month to a maximum of 400% on the deficit amount. Under this amnesty scheme, the total penalty will only be 10% of the deficit amount.

VALIDITY & APPLICABILITY:

- This amnesty scheme is valid for a period of 6 months beginning from 2nd March 2019 till 31st August 2019.
- This scheme is applicable only on the conveyance / transfer documents executed on or before 31st December 2018.
- This amnesty scheme is also applicable to the cases where proceedings under the provisions of Section 31(4), 32A, 33 or 33A, 46 of the Maharashtra Stamp Duty Act, 1958 is pending before any Court of Law or Tribunal (Courts / Tribunals as defined in the Maharashtra Stamp Act, 1958).

PROCEDURE:

- Application is to be made to the Collector of Stamps in accordance with Form A prescribed in the Gazette Notification dated 2nd March 2019. This Form A also refers the list of requisite documents to be attached at the time of application.
- As per this amnesty scheme, the property holder / buyer is bound to pay the deficit stamp duty together with penalty within a period of 60 days from the date of issuance of Demand Notice by the concerned Collector of Stamps, failing which the application will be annulled.

WHO CAN APPLY?

- Application can be made by the property holder / buyer himself or herself who is a party to the conveyance / transfer document or his/her legal heir or representative or power of attorney holder.

OTHER FEATURES:

- This amnesty scheme does not endorse refund / repayment of penalty paid on the deficit stamp duty in the past to the Govt.
- The applicant will have to unconditionally withdraw any appeal or re-assessment request made before the Court of Law or Tribunal (Courts / Tribunals as defined in the Maharashtra Stamp Act, 1958) and will have to submit a declaration in this regards together with Form A.