

19

THE INDIAN STAMP (ODISHA AMENDMENT) BILL, 2021

A

BILL

Further to amend the Indian Stamp Act, 1899 in its application to the State of Odisha.

Be it enacted by the Legislature of the State of Odisha in the Seventy-second Year of the Republic of India as follows: —

Short title.

1. This Act may be called the Indian Stamp (Odisha Amendment) Bill, 2021.

2. In the Schedule 1-A of the Indian Stamp Act, 1899 —

2 of 1899.

(a) In article 5, after clause (b), the following clause shall be inserted, namely: —

“(bb) if relating to an agreement for sale of immovable property Two per centum of the amount of consideration of the property as set

Amendment of Schedule 1-A



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Odisha Legislative Assembly  
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involving delivery of possession of such property or Development agreement in respect of any immovable property.

forth in the agreement or market value of such property whichever is higher, subject to the adjustment of duty chargeable at the time of execution of deed of conveyance made in pursuance of such agreement between the same parties.



Explanation. — The expression “Development agreement” means agreement executed by any person giving authority or power to a promoter or developer, by whatever name called, for construction or development in any manner of any immovable property”.

(b) in article 23, the Explanation including the proviso thereto appearing in column (1), shall be omitted;

(c) in article 24, after clause (i), the following clause shall be inserted, namely: —

(ia) certified copy of the Document registered under the Indian Registration Act, 1908 (16 of 1908). One hundred rupees”

(d) in article 48, for clauses (f), (g) and (h) the following clauses shall be substituted, namely:

“(f) when given for consideration and Two percentum of the amount of consideration

*Dr. B. K. Mishra*  
27.4.22  
Public Information Officer  
Odisha Legislative Assembly



authorizing the person other than the family members as Attorney to sell any immovable property situated in the State of Odisha.

(g) when given to a promoter or developer by whatever name called, for construction or development of any immovable property situated in the State of Odisha.

or market value of such property whichever is higher.

Two percentum of amount value of consideration or market value of such property which is higher:

Provided that if proper stamp duty is paid on development agreement under clause (bb) of article-5 executed between the same parties and in respect of same property then the proper stamp duty under this clause shall be one thousand rupees.

One thousand rupees.

(h) when given to family member of the executant related as father, mother, wife, husband, son,



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daughter, brother, sister,  
daughters-in-law, grandson,  
grand-daughter, grand-  
father, grand-mother,  
authorizing such member  
to sell any immovable  
property situated in the  
State of Odisha.

(i) in any other case.

Twenty rupees  
for each person so  
authorized".



*27.4.22*  
Public Information Officer  
Odisha Legislative Assembly



## Statement of Objects and Reasons

Indian Stamp (Odisha Amendment) Act, 2014 was mandated to treat an Agreement to sale involving delivery of possession of any immovable property or a Power of Attorney, authorizing the person other than family members, to sell such immovable property, as deemed conveyance and accordingly, the stamp duty @5% on such instrument is being collected on the basis of the market value of the property which is the subject matter of such instrument. Representations were received from various stake holders to reduce stamp duty on Agreement to sale and Power of Attorney which is adversely affects growth of transaction of immovable properties of the state. Moreover, Hon'ble Supreme Court in the case of Suraj Lamp & Industries Pvt. Ltd. Vs State of Haryana & Another observed, sale transactions carried in the name of general power of attorney have no legal sanctity and immovable property can be sold or transferred only through registered deeds.

- (i) The proposed amendment of the Indian Stamp Act, 1899 in its application to the State of Odisha will create an environment conducive for Real Estate growth, which will not only have a salutary impact on the economy, but will also contribute immensely to the creation of Affordable Housing Stock for all categories of people.
- (ii) It will encourage to execute registered deeds of conveyance/sale deeds without any under valuation, instead of entering into SA/GPA/WILL transactions;
- (iii) And more and more sale transactions will be done by way of duly registered sale deeds, disclosing the entire sale consideration thereby reducing the generation of black money to a large extent. When high stamp duty is prevalent, there is a tendency to undervalue documents, even where sale deeds are executed.
- (iv) Agreement to sell/Development Agreement/construction Agreement involving delivery of possession, authorizing the person other than family members to sell immovable property, stamp duty @2% will be leviable . When PoA and Development Agreement / Agreement to sale are executed between the same parties involving the same



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property, and if stamp duty as proposed is paid in either of the instruments, a nominal amount of Rs.1,000/- may be collected on the other instrument.

- (v) For obtaining certified copy of the previous registered document Stamp duty of Rs. 100/- is to be realised.
- (vi) Further when Power of attorney given to Father, Mother, wife, Husband, Son, Daughter, Daughter in law, Brother, Sister, Grandson, Granddaughter, Grandfather and Grandmother to sell or transfer immovable property stamp duty of Rupees one thousand is to be paid.

Shri Sudam Marndi  
Member-in-Charge

Certified that prior recommendation of Hon'ble Governor of Odisha has been obtained under Article 207(1) of the Constitution of India for introduction of the Indian Stamp (Odisha Amendment) Bill, 2021 in the Odisha Legislative Assembly.

Shri Sudam Marndi  
Member-in-Charge



*Sudam Marndi*  
27.4.22  
Public Information Officer  
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**ANNEXURE****[Extract taken from the India Stamp Act, 1899 (2 of 1899)]**

In schedule I-A to the Principal Act-

**[(a) In Article-5]**

- |  |   |   |   |   |   |   |  |
|--|---|---|---|---|---|---|--|
|  | * | * | * | * | * | * | *  |
| (a)  |   |   |   |   |   |   |  |
| (b) if relating to the sale of a Government security for share in an incorporated company or other body corporate. |   |   |   |   |   |   | Subject to maximum of (Fifty rupees)<br>For every ten thousand rupees or part thereof of the value of the security or share. |

**[(b) In Article-23]**

[Explanation for the purpose of this Article an agreement to sell involving delivery of possession of any immovable property or a power of attorney, authorizing the person other than those mentioned in clause (g) of Article 48, to sell such immovable property, shall be deemed to be a conveyance and accordingly, the stamp duty shall be payable on the instrument on the basis of the market value of the property which is the subject matter of such instrument.

Provided that the stamp duty already paid on such agreement to sell shall, at the time of execution of the sale deed by the same person in pursuance of such agreement, be adjusted towards the total amount of duty chargeable on the conveyance]

**[(c) In Article-24]**

- |  |   |   |   |   |   |   |            |
|--|---|---|---|---|---|---|------------|
|  | * | * | * | * | * | * | *          |
| (i) If the original was not chargeable with duty, or if the duty, with which it was chargeable does not exceed one rupee |   |   |   |   |   |   | Ten rupees |

**[(d) In Article-48]**

- |   |   |   |   |   |   |   |  |
|---|---|---|---|---|---|---|--|
|   | * | * | * | * | * | * | *  |
| (f) When given for consideration and authorising the attorney to sell any immovable property. |   |   |   |   |   |   | The same duty as a Conveyance [under Division (A), (B) or (C), |

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as the case may be, of Article 23] for the amount of consideration.

(g) [When power given to father, mother, wife, husband, son, daughter, brother or sister in relation to the executant authorizing such person to sell immovable property situated in the State of Odisha.]

One thousand rupees

(h) In any other case

[Twenty rupees for each person so authorized]



*[Signature]*  
27.4.22  
Public Information Officer  
Odisha Legislative Assembly