

**THE KARNATAKA STAMP ACT, 1957****ARRANGEMENT OF SECTIONS**[Statement of Objects and Reasons](#)**Sections:****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.](#)
- 3A. [Instruments liable to duty in multiples of five naye paise.](#)
- 3B. [Certain Instruments chargeable with additional duty.](#)
- 3C. [Limit on levy of additional stamp duty.](#)
4. [Several instruments used in single transaction of sale, mortgage or settlement.](#)
5. [Instruments relating to several distinct matters.](#)
6. [Instruments coming within several descriptions in Schedule.](#)
7. [Payment of higher duty in respect of certain instruments.](#)
8. [Bonds or other securities issued on loans.](#)
9. [Power to reduce, remit or compound duties.](#)

**B- OF STAMPS AND THE MODE OF USING THEM**

10. [Duties how to be paid.](#)
- 10A. [Payment of stamp duty by cash in certain cases.](#)
11. [Use of adhesive stamps.](#)
12. [Cancellation of adhesive stamps.](#)
13. [Instruments stamped with impressed stamps how to be written.](#)
14. [Only one instrument to be on same stamp.](#)
15. [Instruments written contrary to section 13 or 14 deemed unstamped.](#)
16. [Denoting duty.](#)

**C- OF THE TIME OF STAMPING INSTRUMENTS**

17. [Instruments executed in the State of Karnataka.](#)
18. [Instruments executed out of India.](#)
19. [Payment of duty on certain instruments liable to increased duty in the State of Karnataka.](#)

**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 in consideration of debt, or subject to future etc., 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.](#)
- 28A. [Omitted.](#)
- 28B. [Omitted.](#)
29. [Direction as to duty in case of certain conveyances.](#)

**E- DUTY BY WHOM PAYABLE**

30. [Duties by whom payable.](#)

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

31. [Adjudication as to proper stamp.](#)
32. [Certificate by Deputy Commissioner.](#)

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

33. [Examination and impounding of instruments.](#)
34. [Instruments not duly stamped inadmissible in evidence, etc.](#)
35. [Admission of instrument where not to be questioned.](#)
36. [Admission of improperly stamped instruments.](#)
37. [Instruments impounded how dealt with.](#)

38. [Deputy Commissioner's power to refund penalty paid under sub-section \(1\) of section 37.](#)
39. [Deputy Commissioner's power to stamp instruments impounded.](#)
40. [Instruments unduly stamped by accident.](#)
41. [Endorsement of instruments on which duty has been paid under section 34, 39 or 40.](#)
42. [Prosecution for offence against stamp law.](#)
43. [Persons paying duty or penalty may recover same in certain cases.](#)
44. [Power to Revenue authority to refund penalty or excess duty in certain cases.](#)
45. [Non-liability for loss of instruments sent under section 37.](#)
- 45A. [Instrument of conveyance, etc. undervalued how to be dealt with.](#)
- 45B. [Constitution of Central Valuation Committee.](#)
46. [Recovery of duties and penalties.](#)
- 46A. [Recovery of stamp duty not levied or short levied.](#)
- 46B. [Duties, penalties etc, to be certified.](#)

#### CHAPTER V

##### ALLOWANCES FOR STAMPS IN CERTAIN CASES.

47. [Allowance for spoiled stamps.](#)
48. [Application for relief under section 47 when to be made.](#)
49. [Allowance in case of printed forms no longer required by Corporations.](#)
50. [Allowance for misused stamps.](#)
51. [Allowance for spoiled or misused stamps how to be made.](#)
52. [Allowance for stamps not required for use.](#)
- 52A. [Power of State Government to grant relief.](#)

#### CHAPTER VI

##### REFERENCE AND REVISION

53. [Control of, and statement of case to, Chief Controlling Revenue Authority.](#)
- 53A. [Revision of order passed by Deputy Commissioner or Authorised officers.](#)
54. [Statement of case by Chief Controlling Revenue Authority to High Court.](#)
55. [Power of High Court to call for further particulars as to case stated.](#)
56. [Procedure in disposing of case stated.](#)
57. [Statement of case by other Courts to High Court.](#)

58. [Revision of certain decisions of Courts regarding the sufficiency of stamps.](#)

#### CHAPTER VII

##### CRIMINAL OFFENCES AND PROCEDURE.

59. [Penalty for executing, etc., instrument not duly stamped.](#)
- 59A. [Penalty for making false declaration in clearance list.](#)
- 59B. [Penalty for failure to produce documents.](#)
60. [Penalty for failure to cancel adhesive stamp.](#)
61. [Penalty for omission to comply with provisions of section 28.](#)
62. [Penalty for devices to defraud the revenue.](#)
63. [Penalty for franking, recording certificate or embossing contrary to the Act or the rules](#)
- 63A. [Penalty for contravention of other provisions.](#)
64. [Institution and conduct of prosecutions.](#)
65. [Jurisdiction of Magistrates.](#)
66. [Place of trial.](#)

#### CHAPTER VIII

##### SUPPLEMENTAL PROVISIONS

67. [Books, etc., to be open to inspection.](#)
- 67A. [Procedure of Chief Controlling Revenue Authority and the Deputy Commissioner and rectification of mistakes.](#)
- 67B. [Power to enter premises and inspect certain documents.](#)
68. [Powers to make rules.](#)
69. [Saving as to Court Fees.](#)
70. [Act to be translated and sold cheaply.](#)
71. [Repeal and savings.](#)
72. [Application of Indian Stamp Act 1899.](#)
- [SCHEDULE.](#)

**STATEMENT OF OBJECTS AND REASONS****I**

**Act 34 of 1957.-** Different rates on stamp duty are in force in the various areas of the State. As it is very desirable to have the same rates of stamp duty in all the areas in all areas of new State, Government have decided to undertake legislation to achieve this object. Hence this Bill.

The Bill makes provision for the levy of stamp duty on instruments at the rates in force the Madras Area.

(Obtained from Notification L. A. No. 5848 dated 20-6-1957)

**II**

**Amending Act 8 of 1958.-** The Government of India have decided that with effect from 1st April 1958, the rates of Stamp Duty should be expressed in decimal coinage. The new rates of non-postal stamps decided upon by the Government of India are in multiples of 5 Naye Paise. It has become necessary, therefore, to amend the Mysore Stamp Act, 1957, to adapt the rates of Stamp Duty decided upon by the Government of India. The Bill is intended to give effect to the new rates of non-postal stamps in decimal coinage, proposed to be brought into force from 1st April 1958.

(Published in the Gazette (Extraordinary) Part IV-2A dated 4-3-1958 as No. 51)

**III**

**Amending Act 29 of 1962.-** The State Government are committed to raise a sum of Rs. 42 crores by additional taxation. In order to meet the commitments of the schemes in the Second Five Year Plan and implementation of schemes in the Third Five Year Plan, the resources of the State have to be augmented. It is therefore proposed to increase the rates of stamp duty by fifty per cent in instruments in respect of which the State legislature is competent to levy stamp duty.

With the passing of the Advocates Act, 1961, the roll of Advocates is now maintained by the State Bar Council and not by the High Court, As there is no instrument for entry on roll, it is proposed to levy stamp duty on the certificate of enrolment issued by the Bar Council. The Law Ministers Conference held at Srinagar in 1960, has recommended that the total fee payable by a Advocate on enrolment should not, inclusive of the fee payable to the Bar Council under the Advocate Act, exceed Rs. 500. Since a fee of Rs. 250 is payable to the Bar Council, it is proposed to fix the Stamp duty on the certificate of enrolment at Rs. 250.

Opportunity has been taken to make certain other provision found necessary. The more important of these amendments are indicated below.

The definition of instrument of partition is proposed to be amplified to cover documents in which the terms of partition effected are recorded.

Sub-section (1) of section 53 of the Act does not empower the Chief Controlling Revenue Authority to exercise control over the Deputy Commissioner in cases other than those falling under Chapter IV and V and proviso (a) to section 27. In the interests of revenue, it is necessary to exercise control over the Deputy Commissioner in other cases also. Sub-section (1) of section 53 is therefore proposed to be amended.

In respect of allowances for stamps, definite periods of limitation and the circumstances in which allowance is permissible have been laid down in Chapter V of the Act. In order to avoid hardship under the Indian Stamp Act, 1899, orders for refund of amounts paid for stamp duty were being made by Government in appropriate cases without any bar of limitation on the basis of certain Resolutions of the Government of India. It is considered desirable to take necessary power to issue such orders. The new section 52A has therefore been proposed. In order to enable the Chief Controlling Revenue Authority to grant relief under section 44 beyond the period of limitation in appropriate case, that section is also proposed to be amended.

In a recent decision of the Supreme Court (Board of Revenue Vs. Vidyawati A.I.R. 1962 S.C. 1217) it has been held that while acting under section 56(2) of the Indian Stamp Act, 1899, (which corresponds to section 53(2) of the Mysore Stamps Act, 1957), the Board of Revenue should give the party concerned a reasonable opportunity to be heard in accordance with the principles of natural justice. As the principles of natural justice have to be followed by the Deputy Commissioner and the Chief Controlling Revenue Authority, it is proposed to insert a suitable provision in the Act. It is also considered necessary to make specific provision for rectification of mistakes by the different authorities. The new section 67A has accordingly been proposed.

(Published in the Mysore Gazette (Extraordinary) Part IV-2A dated 27-8-1962 as No. 170 at page 25-26.)

#### IV

**Amending Act 17 of 1966.-** In order to ensure the collection of proper stamp duty in the case of awards, gifts and settlements it is considered necessary to charge duty on such instruments on the value of properties instead of on the value as set forth in the instruments. It is also considered necessary to amplify the different classes of instruments falling under Articles 5 and 37 and fix different rates

of duty on such instruments. It is also proposed to amend sections 3 and 28, and insert new sections 63A and 67B.

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 26.03.1966 as No.58 at page 8).

#### V

**Amending Act 17 of 1971.-** In order to raise additional resources to be utilised exclusively for the relief of Bangla Desh refugees, the Government of Mysore has proposed to levy additional stamp duty at the flat rate of ten paise on every instrument chargeable with duty under the Mysore Stamp Act, 1957. The present measure is being enacted to give effect to the said proposal.

2. The Committee constituted under the proviso to sub-section (2) of section 3 of the Mysore State Legislature (Delegation of Powers) Act, 1971 (23 of 1971), has been consulted before enactment of this measure as a President's Act.

(Obtained from President Act 17 of 1971.)

#### VI

**Amending Act 12 of 1972.-** Under article 16 of the Schedule appended to the Mysore Stamp Act, 1957, the stamp duty payable on a share certificate is 30 naye paise. Section 11 of the Mysore Stamp Act, 1957, does not permit the use of adhesive stamps for payment of the stamp duty exceeding 15 naye paise. Thousands of share certificates have to be therefore submitted by the Companies to the Superintendent of Stamps and to the Government Press for getting the duty paid embossed on each certificate. As this procedure is found inconvenient, Government intends to amend the Act to enable the use of adhesive stamps upto 30 paise.—Vide Notification No. 7799, LA dated 19.11.1970.

(Published in Karnataka Gazette, PART IV—2-A, dated 26.11.1970 at page 70.)

#### VII

**Amending Act 4 of 1973.-** President's Act 14 of 1971, 16 of 1971, 17 of 1971 and 18 of 1971 had been enacted to raise additional resources for the relief of Bangla Desh Refugees. They expire on 24th March 1973.

It is proposed that while the additional levies for the relief of Bangla Desh Refugees may cease, the levies may be retained till 31st March 1974 to raise additional resources to meet the cost of 'People's Housing Programme' to be undertaken by the State Government.

Hence this Bill.

(Obtained from L.A. Bill No.16 of 1973)

**VIII**

**Amending Act 17 of 1974.**- It is proposed to raise the rates of Stamp Duty on conveyance and mortgage deeds, in order to augment the revenue of the State.

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) dated 30th March 1974, PART IV—2A, as No. 632, at page. 4.)

**IX**

**Amending Act 12 of 1975.**- It has been observed that there is wide-spread under-valuation of properties by persons who buy and sell properties in urban areas. A pilot study of 1052 cases carried out in Bangalore City showed that in nearly 70 per cent of the cases the valuation mentioned in the sale deed was less than half the market value computed objectively by the survey authorities. This means evasion of stamp duty as well as avoidance of registration charges. There is consequent loss of revenue to the State under both counts. The object of the Bill is to enable the Government to recover the right amount of stamp duty wherever under valuation of property is noticed at the time of registration of the properties. Some consequential amendments are also being made. For example, the present schedule of stamp duty rates is based upon the amount of consideration mentioned in the document. This basis is being changed to the market value. Likewise some other consequential changes have also been proposed in the Bill.

To begin with the new measure will be given effect to in the Cities having a population of more than one lakh and the Government is taking the power to extend it to other urban areas in due course.

(Published in Karnataka Gazette (Extraordinary), dated 10th April 1975, PART IV—2-A, as No. 1049, at page. 7.)

**X**

**Amending Act 37 of 1976.**- In order to augment the revenues of the State, it is proposed to amend the Karnataka Stamp Act, 1957, by increasing the rate of Stamp Duty on conveyances and other instruments chargeable with the same duty as a conveyance.

Hence this Bill.

(Published in Karnataka Gazette (Extraordinary) dated 27th March 1976, PART IV—2-A, as No. 1729, at page. 6.)

**XI**

**Amending Act 9 of 1979.**- Houses and sites are normally allotted by the Bangalore Development Authority and other similar authorities on lease-cum-sale basis and the sale deed is executed after a lapse of a period of 10 years by which

time the market value of the property gets increased considerably. The policy of the Government is to allot as many houses and sites as possible to landless and other weaker sections of the people.

The levy of stamp duty on market value in respect of conveyance executed by the said authorities works out great hardship to the allottees many of whom are persons belonging to weaker sections.

It is felt that stamp duty on such instruments should be levied on the amount or the value of consideration for such instruments as specified therein. To remove the hardship that is caused by the existing provisions to the weaker sections of the people it was considered necessary to take urgent and immediate action. Hence an Ordinance was issued amending the entries relating to item 20 of the Schedule to the Karnataka Stamp Act, 1957. This Bill seeks to replace the said Ordinance.

(Obtained from LC Bill No. 1 of 1979.)

## XII

**Amending Act 21 of 1979.-** In order to augment the revenues of the State it is proposed to second taxation and other laws. Opportunity is taken to make some other amendments also.

Hence this Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 27-3-1979 as No. 259).

## XIII

**Amending Act 15 of 1980.-** The Audit parties of the Accountant General's Office during the course of audit of several Sub-Registry Offices in the State during last one or two years have pointed out instances of non-levy/short levy/irregular remission of Stamp duty due to mis-classification of documents and mis-interpretation of the provisions of law regarding levy of stamp duty. In most of the cases, the observations of the Audit were found to be valid and the Inspector General of Registration and Commissioner for Stamps had to initiate steps for recovery of the deficit stamp duty from the concerned parties. However, for want of suitable provisions in the Karnataka Stamp Act, 1957 enabling recovery of such deficit stamp duty from the concerned parties as arrears of land revenue, it has not been possible for the Department to recover it in most of the cases.

As the Legislature Assembly was not in session, an ordinance was promulgated on 3rd December 1979 introducing new Section 46-A providing for recovery of deficit stamp duty as arrears of land revenue and, in certain type of cases, with

retrospective effect namely from 1st April 1972. Consequential amendment to Section 11(a) was also made due to enhancement of stamp duty with effect from 27th March 1979 as per Karnataka Taxation and Certain Other Laws (Amendment) Act, 1979.

The Bill seeks to replace the said ordinance.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 29th February 1980, as No. 154, at page. 5.)

#### XIV

**Amending Act 16 of 1981.-** The allottees of sites or houses have to execute lease-*cum*-sale agreement with bodies like the Bangalore Development Authority, the Karnataka Housing Board, City Improvement Trust Boards and Housing Co-operative Societies etc. After the expiry of the lease period conveyances are executed in favour of the allottees. The lease-*cum*-sale Agreement would attract levy of stamp duty under Article 30(c) of the Schedule to the Karnataka Stamp Act, 1957 at the same rate as a conveyance on the advance paid in addition to the duty payable on the lease. Again when the conveyance is subsequently executed, duty is payable on the full value of the considerations. Thus duty becomes payable on these transactions as for a conveyance, twice. Representations have been received from the public requesting the Government to grant relief. In view of this and in order to recover the full duty at the initial stage itself when the lease-*cum*-sale agreement is executed, the amendments proposed are sought to be made.

Hence this Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 3rd February 1981, as No. 85, at page. 4.)

#### XV

**Amending Act 16 of 1983.—**Section 46A of the Karnataka Stamp Act, 1957 provides for recovery of stamp duty not levied or short levied. Under the said section, the Chief Controlling Revenue Authority or an officer authorised by the State Government could initiate action within three years from the date of commencement of the Karnataka Stamp (Amendment) Act, 1980 by which the said section was introduced. In cases where the reason for non-payment was fraud, etc., a longer period of six years was permissible.

Action for recovery of deficit duty under the said section has to be taken in about 40000 to 50000 cases and further extension of the period has become necessary.

In these circumstances, it is considered necessary to fix the relevant period as 5 years and 10 years instead of 3 years and 6 years respectively.

An Ordinance was issued and this Bill seeks to replace the said Ordinance.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 25th March 1983, as No. 186, at page. 3.)

#### XVI

**Amending Act 9 of 1987.-** To give effect to the proposals made in the Budget Speech, it is proposed to amend the Karnataka Stamp Act, 1957.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A, dated 27th March 1987, as No. 243, at page. 4.)

#### XVII

**Amending Act 24 of 1987.-** Section 7 of the Karnataka Stamp Act, 1957 does not provide for charging a copy of an instrument received in the State of Karnataka, where an instrument is registered in any part of India other than Karnataka in respect of the property situated in Karnataka. The different rates of stamp duty applicable in other States in respect of sale, gift, mortgage and such transactions have enabled the concerned parties to evade stamp duty in Karnataka by having their documents registered in Presidency towns of Bombay, Calcutta, Madras as well as Delhi District, vide the provisions of Section 30 (2) of the Indian Registration Act. This has resulted in huge loss of revenue to the Government of Karnataka.

It is also considered necessary to enhance the rate of stamp duty chargeable in respect of Partnership under article 40 of the Schedule to the Karnataka Stamp Act, as it has been found that with a view to avoid higher stamp duty payable on conveyances, the registering parties are resorting to the evasion of stamp duty by entering into partnerships, with one partner contributing immovable property and the other contributing cash, and thereafter dissolving the partnership and transferring the immovable property to the partner who contributed cash in lieu of such cash, and *vice-versa*.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 11th February 1987, as No. 123, at page. 4.)

#### XVIII

**Amending Act 10 of 1988.-** As at present the duty in respect of any instrument of conveyance effected by the Bangalore Development Authority, the City Improvement Trust Board, Mysore, the Karnataka Housing Board, the Improvement Boards constituted under the Karnataka Improvements Boards Act, 1976 shall be

payable at the rates specified in the Schedule on the amount or value of consideration for such conveyance as set forth in the instrument.

It is proposed to extend such concession to the House Building Co-operative Societies, registered under the Karnataka Co-operative Societies Act, 1959.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 8th February 1988 as No. 82, at page. 3.)

### XIX

**Amending Act 10 of 1990.**- To give effect to the proposals made in the Budget speech, it is considered necessary to amend the Karnataka Stamp Act, 1957.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 30th March 1990, as No. 154, at page. 9.)

### XX

**Amending Act 11 of 1991.**—To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 22nd March 1991 as No. 131, at page 47)

### XXI

**Amending Act 19 of 1994.**- To give effect to the proposals made in the Budget Speech it is considered necessary to amend the Karnataka Stamp Act 1957.

Hence the Bill.

(Obtained from LA Bill No. 14 of 1994.)

### XXII

**Amending Act 8 of 1995.**- To give effect to the proposals made in the Budget Speech it is considered necessary to amend the Karnataka Stamp Act, 1957 and also to make some consequential amendments are proposed.

Hence the Bill.

(Obtained from LA Bill No. 2 of 1995.)

### XXIII

**Amending Act 20 of 1996.**- Sub-clause (3)(a) of Article 20 of the Schedule to the Karnataka Stamps Act, 1957 provides that second and subsequent sale of Motor Vehicles of above 75 C.C. except Autorikshaws are chargeable with duty. In

order to implement the said provision properly it is necessary to cast a duty on the registering authority not to enter such vehicles in the registration certificate unless specified stamp duty is paid by amending the said Act suitably.

Hence the Bill.

(Obtained from LA Bill 15 of 1995 (File No. LAW 34 LGN 95)

#### XXIV

**Amending Act 9 of 1997.-** It is considered necessary to amend the Karnataka Stamp Act, 1957 and to give effect to the proposals made in the Budget speech and matters connected therewith.

Hence the Bill.

(Obtained from LA Bill No. 13 of 1997.)

#### XXV

**Amending Act 22 of 1997.-** As at present the duty in respect of transaction of lease-cum-sale in connection with allotment of building sites with or without building thereon by certain authorities like the Bangalore Development Authority, Karnataka Housing Board etc., is payable on the market value equal to the security deposit and the average annual rent reserved in such agreement and in respect of instrument of conveyance effected by the above authorities, the duty is payable on the amount or value of consideration of such conveyance as setforth in the instrument.

It is proposed to extend the above concession in respect of allotment of industrial sheds and plots by the Karnataka Industrial Areas Development Board, the Karnataka Small Scale Industrial Development Corporation, the Karnataka State Industrial Investment and Development Corporation KEONICS and allotment of land or site to the market functionaries by the Agricultural Produce Marketing Committees.

Hence the Bill.

(Obtained from LA Bill No. 11 of 1997.)

#### XXVI

**Amending Act 5 of 1998.-** To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp At, 1957 and some consequential amendments are also proposed.

Hence the Bill.

(Published in Karnataka Gazette (Extraordinary) Part IV-2A dated 26th March 1998, as No. 347, at page. 7.)

**XXVII**

**Amending Act 6 of 1999.-** To give effect to the proposal made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957 and some consequential amendments are also proposed.

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A dated 30th March 1999, as No. 288)

**XXVIII**

**Amending Act 24 of 1999.-** It is considered necessary to amend the Karnataka Stamp Act, 1957 for more effective implementation of the provisions of this Act.

It is proposed, for this purposes,-

1. To define the term Assistant Commissioner to Stamps Association, Clearance List and Immoveable property.
2. To levy duty on the copy of an original instrument where no proper duty has been paid on the original instrument by adding an explanation under section 3.
3. To provide for enhancement of Stamp duty in certain cases since there has been no revision of the rate for a long time.
4. To provide for payment of stamp duty in cash in certain cases.
5. To provide for keeping the instrument brought for registration where the Registering Officer has reason to believe that the market value of the property has not been truly setforth in the instrument and for referring the case of the Deputy Commissioner for determination of the market value if the party, does not pay the duty on the basis of such valuation and also to provide that the Deputy Commissioner shall dispose of the cases as far as possible, within 90 days from the date of reference. This is done by proposing amendment to section 45A.
6. To enhance the quantum of punishment in certain cases, by amending relevant penal section of the Act.
7. To provide for punishment for making false declaration in clearance list and failure to produce documents.
8. To insert a new section 53A to provide for the Chief Controlling Revenue Authority to make a revision of the order passed by the Deputy Commissioner or Authorised Officer within the period of five years from the date of orders passed by them.
9. To Substitute section 67B to streamline the provisions regarding power to enter premises and inspect certain documents.

Certain other consequential and necessary amendments are also made.

Hence the Bill.

(Published in the Karnataka Gazette (Extraordinary) Part IV-2A, dated 31st March 1999, as No. 299)

#### XXIX

**Amending Act 7 of 2000.-** To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957 and the Karnataka Societies Registration Act, 1960.

(Obtained from L.A. Bill No. 8 of 2000.)

#### XXX

**Amending Act 6 of 2001.-** To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957 and the Karnataka Co-operative Societies Act, 1957.

Hence the Bill.

(Vide LA Bill No. 6 of 2001 File No. SAMVYASHAE 10 SHASANA 2001)

#### XXXI

**Amending Act 6 of 2002.-** To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957 and the Karnataka Societies Registration Act, 1960.

Hence the Bill.

(Vide LA Bill No. 11 Of 2002 and File No. SAMVYASHAE 19 SHASANA 2002)

#### XXXII

**Amending Act 17 of 2002.-** It is considered necessary to reduce or remit by notification till 31st March, 2006, the stamp duty payable on any instrument, to be specified therein executed by, specified new Tiny, Small Scale, Medium Scale or Large Scale Industrial Units or Mega Projects as defined in the new industrial policy vide Government Order CI 167 SPI 2001 dated 30.6.2001 or by such key projects of core area as defined in the said policy or specified by the State Government from time to time. Hence the Bill.

(Vide LA Bill No. 23 of 2002 File No. SAMVYASHAE 4 SHASANA 2002)

#### XXXIII

**Amending Act 8 of 2003.-** To give effect to the proposals made in the Budget Speech for the year 2003-04, it is considered necessary to amend the Karnataka Stamp Act, 1957, the Karnataka Municipalities Act, 1964, the Karnataka Municipal Corporations Act, 1976 and the Karnataka Panchayat Raj Act, 1993.

Hence the Bill.

(Vide LA Bill No. 8 of 2003 File No. SAMVYASHAE 15 SHASANA 2003)

**XXXIV**

**Amending Act 2 of 2004.-** To give effect to the proposals made in the Budget Speech of 2003-04, it is considered necessary to amend the Karnataka Sales Tax Act, 1957, the Karnataka Stamp Act, 1957 and the Karnataka Motor Vehicles Taxation Act, 1957.

Hence the Bill.

(obtained from LA Bill No. 7 of 2004 vide File No. SAMVYASHAE 11 SHASANA 2004)

**XXXV**

**Amending Act 7 of 2006.-** To give effect to the proposals made in the Budget Speech, it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957). Certain consequential amendments have also been proposed.

Hence the Bill.

[L.A. Bill No. 12 of 2006]

**XXXVI**

**Amending Act 7 of 2007.-** To give effect to the proposals made in the Budget Speech of 2007-2008, it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957). Certain consequential amendments have also been proposed.

Hence the Bill.

[L.A. Bill No. 20 of 2007]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXVII**

**Amending Act 11 of 2007.-** In order to encourage entrepreneurs for establishment of new industries, so as to achieve industrial as well as economic growth in the state and in the light of New Industrial Policy 2006-2011. It is proposed to amend the Karnataka Stamp Act, 1957 making provision to give stamp duty exemption as per the Industrial Policy issued by the Commerce & Industries Department.

Hence the Bill.

[L.A. Bill No. 9 of 2007]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXVIII**

**Amending Act 17 of 2007.-** In G.O.NO.RD 9 BMM 2003, dated: 8.9.2005 the posts of Regional Commissioners at Bangalore, Mysore, Gulbarga and Belgaum along with supporting staff has been created.

The Regional Commissioners have to be conferred with statutory powers by necessary amendments to the relevant Acts.

Since the matter was urgent and the Karnataka Legislature was not in session, the Karnataka Land Revenue and Certain Other Laws (Amendment) Ordinance 2006(Karnataka Ordinance No.5 of 2006) was promulgated to achieve the above Object.

Hence the Bill.

[L.A. Bill No. 7 of 2007]

[Entry 5 and 18 of List II of the Seventh Schedule to the Constitution of India.]

**XXXIX**

**Amending Act 1 of 2008.-** In order to give effect to the proposals made in the Budget Speech for the year 2003-2004, it is considered necessary to amend the Karnataka Stamp Act, 1957, to dispense with the use of stamps and stamp papers and to start using impressed stamps. The Karnataka Stamp (Amendment) Bill, 2003 was passed in the both the Houses of the Legislature for obtaining the assent of the President on 29.3.2003. The Government of India vide their letter 17/20/2003-Judl & PP, dated:18.10.2004 has communicated the notes of the Ministry of Law and Justice (Department of Legal Affairs) for clarification.

The Government of Karnataka considered the observations of the Ministry of Finance, Government of India (Banking Division) communicated vide Government of India letter dated: 11.7.2003 and the points raised by the Ministry of Law and Justice (Department of Legal Affairs) and has decided to drop the proposed amendment to section 19 of the Karnataka Stamp Act, 1957.

Hence the Bill.

(L.A. Bill No. 8 of 2007)

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXX**

**Amending Act 8 of 2008.-**To give effect to the proposals made in the Budget Speech of 2008-2009, it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957). Certain consequential amendments have also been proposed.

Hence the Bill.

(LA Bill No. 6 of 2008, File No. DPAL 12 Shasana 2008)

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXXI**

**Amending Act 9 of 2009.-** To give effect to the proposals made in the Budget Speech 2009-10, it is considered necessary to amend the Karnataka Stamp Act, 1959 (Karnataka Act No.34 of 1957). Certain consequential amendments have also been proposed.

Hence the Bill

(LA Bill No. 24 of 2009, File No. DPAL 17 Shasana 2009)

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXXII**

**Amending Act 20 of 2009.-** In the Budget Speech for the year 2009-2010 it has been announced to reduce the Stamp duty on sale transactions of all kinds of immovable properties including agricultural land from seven and half percent to six percent.

Therefore it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957)

As the matter was urgent and both the Houses of the Karnataka State Legislature were not in session, the Governor of Karnataka had promulgated the Karnataka Stamp (Amendment) Ordinance, 2009 (Karnataka Ordinance No.5 of 2009)

This bill seeks to replace the said ordinance.

Hence the bill

(LA Bill No. 37 of 2009, File No. DPAL 28 Shasana 2009)

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXXII**

**Amending Act 8 of 2010.-** To give effect to the proposals made in the Budget Speech 2010-11, it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957). Certain consequential amendments have also been proposed.

Hence the bill.

[L.A. Bill No. 13 of 2010, File No. DPAL 15 Shasana 2010]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXXIII**

**Amending Act 9 of 2010.-** In order to encourage entrepreneurs for establishment of new industries in the State to combat financial crisis prevailing globally and in the light of the new Industrial Policy 2009-14, it is proposed to amend the Karnataka Stamp Act, 1957, to reduce or remit stamp duty in public interest payable on any instrument executed by key projects of core area in the special economic zones.

Hence the Bill.

[L.A. Bill No. 01 of 2010, File No. DPAL 34 Shasana 2009]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXXIV**

**Amending Act 16 of 2011.-** To give effect to the proposals made in the Budget Speech 2011-12 it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No.34 of 1957).

Hence the Bill.

[L.A. Bill No.21 of 2011, File No.Samvyashae 18 Shasana 2011]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

**XXXXV**

**Amending Act 2 of 2012.-** It is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957) to give effect to the proposals made in the Budget Speech 2010-11, and to give an impetus to growth in Agriculture, Information Technology, Bio-Technology, Science and Technology.

Hence, the Bill.

[L.A. Bill No. 45 of 2011, File No.Samvyashae 48 Shasana 2011]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

5957: KAR. ACT 34]

*Stamp*

**XXXXVI**

**Amending Act 15 of 2012.-** To give effect to the proposals made in the Budget Speech of 2012-13, it is considered necessary to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957). Certain consequential amendments have also been proposed.

Hence the Bill.

[L.A. Bill No. 10 of 2012, File No.Samvyashae 23 Shasana 2012]

[Entry 63 of List II of the Seventh Schedule to the Constitution of India.]

-----

**<sup>1</sup>[KARNATAKA]1 ACT No. 34 OF 1957.**

(First published in the <sup>1</sup>[Karnataka Gazette]1 on the Fifth day of December, 1957.)

**THE <sup>1</sup>[KARNATAKA]1 STAMP ACT, 1957.**

(Received the assent of the President on the Twenty-eighth day of November, 1957.)

(As amended by Acts 8 of 1958; 29 of 1962; 17 of 1966; President's Act 17 of 1971; Karnataka Acts 12 of 1972; 4 of 1973; 17 of 1974; 12 of 1975; 37 of 1976; 9 of 1987, 21 of 1979; 15 of 1980; 16 of 1981; 16 of 1983; 9 of 1987, 24 of 1987; 10 of 1988; 10 of 1990; 11 of 1991; 19 of 1994; 8 of 1995; 20 of 1996; 9 of 1997, 22 of 1997; 5 of 1998; 6 of 1999; 24 of 1999; 7 of 2000, 6 of 2001, 6 of 2002, 17 of 2002, 8 of 2003, 2 of 2004, 7 of 2006, 7 of 2007, 11 of 2007, 17 of 2007, 1 of 2008, 8 of 2008, 9 of 2009, 20 of 2009, 8 of 2010, 9 of 2010, 16 of 2011, 2 of 2012 and 15 of 2012)

An Act to consolidate and amend the laws relating to Stamps.

WHEREAS it is expedient to consolidate and amend the laws relating to stamps in the <sup>1</sup>[State of Karnataka]1;

BE it enacted by the <sup>1</sup>[Karnataka State]1 Legislature in the Eighth year of the Republic of India as follows:—

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

**CHAPTER I****PRELIMINARY**

**1. Short title, extent and commencement.**- (1) This Act may be called the <sup>1</sup>[Karnataka]1 Stamp Act, 1957.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(2) It extends to the whole of the <sup>1</sup>[State of Karnataka]1.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(3) It shall come into force on such <sup>1</sup>[date]1 as the State Government may, by notification in the Official Gazette appoint.

1. Act came into force on 1.6.1958 by notification. Text of notification is at the end of the Act.

**2. Definitions.**- (1) In this Act, unless the context otherwise requires,—

<sup>1</sup>[(a) 'Assistant Commissioner of Stamp's' means the Inspector of Registration Offices appointed under the Registration Act, 1908 (Central Act 16 of 1908) and includes such officer in such areas as the State Government may by notification specify.

(aa) "Association" means any association, exchange, organisation 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 transaction relating to, any goods or marketable securities.]<sup>1</sup>

1. Clauses (a) and (aa) Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

1[(ab)]<sup>1</sup> "bond" includes,—

(i) 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;

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

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

1. Relettered by Act 24 of 1999 w.e.f. 18.8.1999.

1[(ac) "Central Valuation Committee" means the Central Valuation Committee constituted under section 45B].<sup>1</sup>

1. Inserted by Act 8 of 2003 w.e.f. 1.4. 2003.

(b) "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 territories of the 1[State of Karnataka]<sup>1</sup> when such instrument was executed or, where several persons executed the instrument at different times, first executed;

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

1[(c) 'Chief Controlling Revenue Authority' means the officer appointed by the State Government to be the 2[Commissioner of Stamps for Karnataka]<sup>2</sup>];<sup>1</sup>

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

2. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

1[(ca) "clearance list" means a list of transactions relating to contracts either maintained by an association or an individual or required to be submitted to the Clearing House of an association in accordance with the rules or bye-laws of the association and shall always mean to include all the transactions pertaining to sale as well as purchase of marketable securities;]<sup>1</sup>

1. Inserted by act 24 of 1999 w.e.f. 18.8.1999.

1[(d) "conveyance" includes,—

- (i) a conveyance on sale, (ii) every instrument,
- (iii) every decree or final order of any civil court,

(iv) every order made by the High Court under section 394 of the Companies Act, 1956 in respect of amalgamation of Companies by which property, whether moveable, or immoveable or any estate is transferred to, or vested in, any other person, and which is not otherwise specifically provided for by the Schedule;]<sup>1</sup>

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

<sup>1</sup>[(dd) 'Deputy Commissioner' means the Chief Officer in charge of the revenue administration of a district and includes in respect of such provisions of this Act or rules made thereunder such officer in such area as the State Government may by notification in the Official Gazette specify;]<sup>1</sup>

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

<sup>1</sup>[(e) "Duly stamped " as applied to an instrument means that the instrument bears impressed stamp of not less than the proper amount and that such stamp has been impressed in accordance with law for the time being in force in the territories of the State of Karnataka.]<sup>1</sup>

1. Substituted by Act 1 of 2008 w.e.f. 1.4.2003

(f) "executed," and "execution," used with reference to instruments, mean "signed" and "signature";

(g) "Government security" means a Government security as defined in the Public Debt Act, 1944 (Central Act XVIII of 1944);

<sup>1</sup>[(ga) "Immovable property" includes land, buildings, rights to ways, air rights, development rights, whether transferable or not, benefits to arise out of land, and things attached to the earth, or permanently fastened to anything attached to the earth;]<sup>1</sup>

1. Inserted by act 24 of 1999 w.e.f. 18.8.1999.

<sup>1</sup>[(h) "Impressed stamp" means;

- (i) impression made with franking machine;
- (ii) a certificate or endorsement made and attested as may be prescribed by the Deputy Commissioner or the authorised officer or the proper officer, as the case may be in the territories of the State of Karnataka.]<sup>1</sup>

1. Substituted by Act 1 of 2008 w.e.f. 1.4.2003

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

(j) "instrument" includes every document 1[and record created or maintained in or by an electronic storage and retrieval device or media]1 by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded;

1. Inserted by act 24 of 1999 w.e.f. 18.8.1999.

1[(k) 'instrument of partition' means any instrument whereby co-owners of any property divide or agree to divide such property in severalty and includes,—

(i) a final order for effecting a partition passed by any revenue authority or any civil court,

(ii) an award by an arbitrator directing a partition, and

(iii) when any partition is effected without executing any such instrument, any instrument or instruments signed by the co-owners and recording, whether by way of declaration of such partition or otherwise, the terms of such partition amongst the co-owners;]1

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(l) "lease" means a lease of 1[immoveable or movable property or both]1, and includes also,—

1. Substituted by Act 9 of 1997 w.e.f. 1.4.1997

(i) a patta;

(ii) a kabuliyat or other undertaking in writing not being a counterpart or a lease to cultivate, occupy, or pay or deliver rent for, immoveable property;

(iii) any instrument by which tolls of any description are let;

(iv) any writing on an application for a lease intended to signify that the application is granted;

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

1[(mm) "market value" in relation to any property, which is the subject matter of an instrument, means the price which such property would have fetched, in the opinion of the Deputy Commissioner or the Appellate Authority or the Chief Controlling Revenue Authority if sold in open market on the date of execution of such instrument or the consideration stated in the instrument whichever is higher:

Provided that notwithstanding anything contained in this Act or in the Articles, in respect of an instrument executed by or on behalf of or in favour of the 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 incorporate wholly owned or controlled by the Central Government or the State Government,

the market value of the property shall be the value of consideration for such conveyance as set forth in the instrument.]<sup>1</sup>

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

(n) "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;

(o) "paper" includes vellum, parchment or any other material on which an instrument may be written;

(p) "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;

(q) "settlement" means any non-testamentary disposition in writing, of moveable or immoveable property made,—

(i) in consideration of marriage,

(ii) 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

(iii) for any religious or charitable purposes;

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.

(2) The 1[Karnataka]1 General Clauses Act, 1899 shall apply for the interpretation of this Act, as it applies for the interpretation of a 1[Karnataka]1 Act.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

<sup>1</sup>[(r) "Stamp" means impressed stamp and "stamp paper " means a paper bearing the impressed stamp.]<sup>1</sup>

1. Inserted by Act 1 of 2008 w.e.f. 1.4.2003.

## CHAPTER II

### STAMP DUTIES

#### *A.—Of the Liability of Instruments to Duty.*

**3. Instruments chargeable with duty.**- 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,—

(a) every instrument mentioned in that Schedule which, not having been previously executed by any person, is executed in the territories of the 1[State of Karnataka]1 on or after the commencement of this Act; and

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(b) every instrument mentioned in that Schedule which, not having been previously executed by any person, is executed out of the 1[State of Karnataka]1 on or after that day, relates to any property situate, or to any matter or thing done or to be done, in the territories of the 1[State of Karnataka]1 and is received in the territories of the 1[State of Karnataka]1:

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

Provided that no duty shall be chargeable in respect of,—

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

1. Substituted by Act 17 of 1966 w.e.f. 15.11.1966 by notification text of notification at the end of the Act.

1[**Explanation.**- Where no proper duty has been paid on the original of an instrument which is chargeable with an amount indicated in the Schedule as proper duty therefor, then a copy of such instrument whether certified or not and whether a facsimile image or otherwise of the original shall be chargeable with duty of an amount which is indicated in Schedule as proper duty for the original of such instrument, and all the provisions of this chapter and chapters IV, VI, VII and VIII of this Act shall *mutatis mutandis* be applicable to such copy of the original.]1

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

(2) any instrument for 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 1[the Merchant Shipping Act, 1958]1.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

1[**3A. Instruments liable to duty in multiples of five naye paise.**- Notwithstanding anything contained in section 3 and the Schedule or any rule or order published under section 9, the proper duty payable on any instrument shall be computed and determined in multiples of five naye paise:

Provided that where a scale has been specified for determining the proper duty, the total amount of duty payable on any instrument shall be calculated in accordance with such scale, and where the total amount so calculated includes in addition to any multiple of five naye paise a fraction of five naye paise, such fraction

shall be deemed to be five naye paise, and the total amount of duty payable on the instrument shall be determined accordingly.]<sup>1</sup>

1. **Inserted by Act 29 of 1962 w.e.f. 1.10.1962.**

**1[3B. Certain instruments chargeable with additional duty.-**<sup>2</sup>[(1) Any instrument of conveyance, exchange, settlement, gift or lease in perpetuity of immovable property chargeable with duty under section 3 read with articles of the schedule shall be chargeable with additional duty at the rate of ten percent, on such duty chargeable on such instrument of conveyance, exchange, gift, settlement and lease in perpetuity, for the purpose of various infrastructure projects across the State, equity investment in the Bangalore Mass Rapid Transport Limited and for Mukhya Manthri Grameena Rasthe Abhivrudhi Nidhi in the proportion of 57:28:15 respectively]<sup>2</sup>

(2) The additional duty chargeable under sub-section (1) shall be in addition to any duty chargeable under section 3.

(3) Except as otherwise provided in sub-section (1) provisions of this Act, shall so far as may be apply in relation to the additional duty chargeable under sub-section (1) as they apply in relation to the duty chargeable under section 3.]<sup>1</sup>

1. **Substituted by Act 6 of 2001 w.e.f. 1.4.1998**

2. **Substituted by Act 2 of 2004 w.e.f. 1.2.2004**

**1[3C. Limit on levy of additional stamp duty.-** Notwithstanding anything contained in any other law for the time being in force, no instrument shall be charged with any duty in the form of additional stamp duty under such other law, exceeding the maximum amount of duty with which such instrument is chargeable under this Act.]<sup>1</sup>

1. **Inserted by Act 6 of 1999 w.e.f. 1.4.1999.**

**4. Several instruments used in single transaction of sale, mortgage or settlement.-** (1) Where, in the case of any sale, mortgage or settlement, several instruments are employed for completing the transaction, the principal instrument only shall be chargeable with the duty prescribed in the Schedule for the conveyance, mortgage, or settlement, and each of the other instruments shall be chargeable with a duty of 1[one hundred]<sup>1</sup> rupees instead of the duty (if any) prescribed for it in the Schedule.

1. **Substituted by Act 8 of 1995 w.e.f. 1.4.1995.**

(2) The parties may determine for themselves which of the instruments so employed shall, for the purpose of sub-section (1), be deemed to be 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.

**5. Instruments relating to several distinct matters.-** 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.

**6. Instruments coming within several descriptions in Schedule.-** Subject to the provisions of the last preceding section, 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 1[four rupees and fifty naye paise]1 a counter part or duplicate of any instrument chargeable with duty and in respect of which the proper duty has been paid.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**7. Payment of higher duty in respect of certain instruments.-** (1) Notwithstanding anything contained in section 4 or 6 or in any other enactment, unless it is proved that the duty chargeable under this Act has been paid,—

- (a) on the principal or original instrument, as the case may be, or
- (b) in accordance with the provisions of this section,

the duty chargeable on an instrument of sale, mortgage or settlement, other than a principal instrument or on a counterpart, duplicate or copy of any instrument shall, if the principal or original instrument would, when received in the State, have been chargeable under this Act with a higher rate of duty, be the duty with which the principal or original instrument would have been chargeable under section 19.

(2) Notwithstanding anything contained in any enactment for the time being in force, no instrument, counterpart, duplicate or copy chargeable with duty under this section shall be received in evidence unless the duty chargeable under this section has been paid thereon:

Provided that any Court before which any such instrument, duplicate or copy is produced may permit the duty chargeable under this section to be paid thereon and may then receive it in evidence.

1[(3) Where any instrument is registered in any part of India other than Karnataka and the instrument relates wholly or partly to any property situated in Karnataka, the

copy of such instrument shall, when received in Karnataka be liable to be charged with the difference of stamp duty as original under section 19 to the extent of and in proportion to the consideration or value of the property situated in Karnataka and the party liable to pay stamp duty on the original instrument shall upon receipt of notice from the registering officer pay the difference in duty within the time allowed.]<sup>1</sup>

1. Inserted by Act 24 of 1987 w.e.f. 12.6.1987.

**8. Bonds or other securities issued on loans.-** (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, shall, in respect of such loan, be chargeable with a duty of one percentum 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 from being stamped and from being chargeable with certain further duty shall apply to the bonds or other securities 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 wilful 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 percentum upon the amount of duty payable, and a like penalty for every month after the first month during which the neglect continues.

**9. Power to reduce, remit or compound duties.-** (1) The State Government may, by rule or order published in the Official Gazette,—

(a) <sup>1</sup>[reduce upto fifty percent]<sup>1</sup> in the whole or any part of the <sup>2</sup>[State of Karnataka]<sup>2</sup>, if in the opinion of the State Government it is necessary in public interest so to do, the duties with which any particular class of instruments, or any of the instruments belonging to such class, or any instruments 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; and

1. Substituted by Act 5 of 1998 w.e.f. 1.4.1998.

2. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

<sup>1</sup>[Provided that the State Government may in public interest reduce or remit the stamp duty payable on an instrument executed,-

- (i) by or in favour of any person to obtain or to repay loan, as the case may be, for an agricultural purpose as defined in the Karnataka Agricultural Credit Operations and Miscellaneous Provisions Act, 1974 (Karnataka Act 2 of 1975),
- (ii) by a public sector undertaking, to obtain loan for the purpose for which it is established,
- (iii) by or in favour of loanee to obtain or repay loan, as the case may be for the purposes of pursuing education, acquiring and installing water harvesting units and non-conventional energy devices such as solar and biogas energies, ]<sup>1</sup>

1. Substituted by Act 8 of 2010 w.e.f. 1.4.2010.

- <sup>1</sup>[(iv) by or in favour of loanee to obtain loans for non-agricultural purposes advanced to 'Joint Liability Groups' by Schedule Banks and other Financial Institutions specified in this behalf;
- (v) by or in favour of farmers for the allotment of developed lands to the farmers, when their lands are acquired for public purposes;
- (vi) by or in favour of farmers for the purchase of lands from the compensation amount paid to them when their lands are acquired for public purposes.]<sup>1</sup>

1. Inserted by Act 16 of 2011 w.e.f. 1.4.2011.

<sup>1</sup>[Provided further that the State Government may, in public interest, by notification, reduce or remit the stamp duty payable on any instrument to be specified therein, executed by or between Special Economic Zone Developer, Co-Developer, Land Owners, Karnataka Industrial Areas Development Board and Financial Institutions as defined in the State policy for Special Economic Zones – 2009, vide Government Order No. CI 114 SPI 2007, Bangalore, dated: 28-02-2009.

Provided also that the State Government may, in public interest, by notification, reduce or remit, till 31<sup>st</sup> March 2014, the stamp duty payable on any instrument to be specified therein executed by specified new and existing micro, small, medium enterprises, Large Scale Industrial Units and mega projects including

expansion or modernization or diversification projects, as defined in the Karnataka Industrial Policy 2009-14 specified in the Government Order No. CI 233 SPI 2008, Dated: 28-02-2009 or by such key projects of core area as defined in the said policy or specified by State Government from time to time]<sup>1</sup>

**1. Substituted by Act 9 of 2010 w.e.f. 3.4.2010.**

<sup>1</sup>[Provided also that the State Government may in public interest, by notification, reduce or remit the stamp duty payable on any instrument to be specified therein, executed by or between the concerned persons in connection with 2009-14 tourism policy of the State specified in Government Order No. Ka Sam Va Pra 231 Pra Va Yo 2007 dated: 20<sup>th</sup> October 2009 or specified by the State Government from time to time.]<sup>1</sup>

**1. Inserted by Act 16 of 2011 w.e.f. 1.4.2011.**

<sup>1</sup>[Provided also that the State Government may in public interest, reduce or remit by notification the stamp duty payable on any instrument to be specified therein, executed by or between the concerned persons in connection with,-

- (a) the integrated Karnataka Agri-Business Development policy 2011, specified in the Government order No. AHD 172 AFT 2010, Bangalore, dated 5<sup>th</sup> March 2011 or as specified by the State Government from time to time;
- (b) the Semiconductor policy of Karnataka State- 2010, specified in the Government Order No. ITD 10 PRM 2008, Bangalore, Dated 25<sup>th</sup> February 2010 or as specified by the State Government from time to time;
- (c) The information and communications technology policy- 2011, specified in the Government Order No. ITD 11 PRM 2008, Bangalore, Dated 2<sup>nd</sup> February 2010 or as specified by the State Government from time to time;
- (d) The Karnataka Electronics Hardware Policy – 2011, specified in the Government Order No. ITD 09 PRM 2008, Bangalore,

Dated 29<sup>th</sup> January 2011 or as specified by the State Government from time to time.]<sup>1</sup>

1. Inserted by Act 2 of 2012 w.e.f. 4.1.2012.

<sup>1</sup> [Provided also that the state government may in public interest reduce or remit by notification, the stamp duty payable on any instrument to be specified therein, executed,-

- (i) by or in favour of Rajiv Gandhi Housing Corporation in connection with implementation of housing programme including houses built under Indira Awaas Yojana, for the economically weaker sections and special occupational categories both in rural and urban areas for the purpose of providing residential facilities with capital investment by the state government and loan borrowed from Housing And Urban Development Corporation,
- (ii) in favour of local bodies, urban development authorities and other public authorities to be specified therein, for the purposes of providing roads, civic amenities, parks, water bodies, mini-forests, boulevards, etc. which are exclusively meant for public purpose.]<sup>1</sup>

1. Substituted by Act 8 of 2010 w.e.f. 1.4.2010.

- (b) provide for the composition or consolidation of duties in the case of issues by any incorporated company or other body corporate of bonds <sup>1</sup>[or other marketable securities, brokers' notes, policies of insurance and receipts.]<sup>1</sup>

1. Substituted by Act 16 of 2011 w.e.f. 1.4.2011.

<sup>1</sup>[(1A) Notwithstanding anything contained in any other law for the time being in force, no reduction or remission of stamp duty shall be allowed unless it is notified in accordance with sub-section (1).]<sup>1</sup>

1. Inserted by Act 5 of 1998 w.e.f. 1.4.1998.

<sup>1</sup>[(2) Every rule or order published under clause (a) of sub-section (1) shall be laid as soon as may be after it is published before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following both Houses agree in making any modification in the rule or order or both Houses agree that the rule or order should not be made, the rule 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 order.]<sup>1</sup>

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

*B.—Of Stamps and the mode of using them.*

**10. Duties how to be paid.-** (1) Except as otherwise expressly provided in this Act, all duties with which any instruments are chargeable shall be paid, and such payment shall be indicated on such instruments, by means of stamps,—

(a) according to the provision herein contained; or  
(b) when no such provision is applicable thereto, as the Government may by rule 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;

<sup>1</sup>[(b) in case of an instrument affixed or endorsed with certificate of stamp the manner of recording such certificate.]<sup>1</sup>

1. Substituted by Act 1 of 2008 w.e.f. 1.4.2003

<sup>1</sup>[(3) Subject to the rules made under clause (b) of sub-section (1), the Chief Controlling Revenue Authority or any other officer empowered by the State Government in this behalf may authorise any person, body or organisation, including Post Offices and Banks, to use machine for making impression of stamps <sup>2</sup>[or implement Computerised Stamp duty administration system or Electronic Stamping or Dematerialisation of stamping; for indicating the payment of stamp duty on any Instrument or plain paper, as the case may be]<sup>2</sup>]<sup>1</sup>

1. Inserted by Act 6 of 1999 w.e.f. 1.4.1999.

2. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.

<sup>1</sup>**10A. Payment of stamp duty by cash in certain cases.-** (1) Notwithstanding anything contained in section 10, the stamp duty payable on an instrument may also be paid in cash by challan in the Banking Treasury or Treasury, counter signed by an officer empowered by the State Government by notification in this behalf or by demand draft or by pay order drawn on a branch of any scheduled bank. The officer so empowered shall, on production of such challan and after due verification that the duty has been paid, or upon production of demand draft or pay order as the case may be, certify in such manner as may be prescribed by endorsement on the instrument, of the amount of the duty so paid.

1. Inserted Act 24 of 1999 w.e.f. 18.8.1999.

(2) An endorsement made on any instrument under sub-section (1) shall have the same effect as if the duty of an amount equal to the amount stated in the endorsement has been paid in respect thereof and such payment has been indicated on such instrument by means of stamps, in accordance with requirements of section 10.

(3) Nothing in this section shall apply to,-

(i) the payment of stamp duty chargeable on the instruments specified in entry 91 of List I of the Seventh Schedule to the Constitution of India; and

(ii) the instruments presented after two months from the date of their execution or first execution.]<sup>1</sup>

11. <sup>1</sup>[X X X]<sup>1</sup>

1. Omitted by Act 1 of 2008 w.e.f. 1.4.2003

12. <sup>1</sup>[X X X]<sup>1</sup>

1. Omitted by Act 1 of 2008 w.e.f. 1.4.2003

**13. Instruments stamped with impressed stamps how to be written.-**

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.

**14. Only one instrument to be on same stamp.-**

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:

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.

**15. Instruments written contrary to section 13 or 14 deemed unstamped.-**

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

**16. Denoting duty.-**

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 1[Deputy Commissioner]<sup>1</sup> for that purpose, and on production of both the instruments, be denoted upon such first mentioned

instrument, by endorsement under the hand of the 1[Deputy Commissioner]1 or in such other manner, if any, as the State Government may by rules prescribe.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

*C.—Of the time of Stamping Instruments.*

**17. Instruments executed in the 1[State of Karnataka]1.**- All instruments chargeable with duty and executed by any person in the 1[State of Karnataka]1 shall be stamped before or at the time of execution.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

1[Provided that nothing in this section shall apply to an instrument in respect of which stamp duty has been paid under section 10A.]1

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

**18. Instruments executed out of India.**- (1) Every instrument chargeable with duty executed only out of India may be stamped within three months after it has been first received in the 1[State of Karnataka]1.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(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 1[Deputy Commissioner]1 who shall stamp the same, in such manner as the Government may by rule prescribe, with a stamp of such value as the person so taking such instrument may require and pay for.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**19. Payment of duty on certain instruments liable to increased duty in the 1[State of Karnataka]1.**- Where any instrument of the nature described in any article in the Schedule and relating to any property situate or to any matter or thing done or to be done in the 1[State of Karnataka]1 is executed out of the said State and subsequently received in the said State,—

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(a) the amount of duty chargeable on such instrument shall be the amount of duty chargeable under the Schedule on a document of the like description executed in the 1[State of Karnataka]1 less the amount of duty, if any, already paid on such instrument in any other State in India,

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(b) and 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) of this section, in the same manner and at the same time and by the same persons as though such instrument were an instrument received in the 1[State of Karnataka]1 for the first time at the time when it became chargeable with the higher duty, and

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(c) the provisions contained in clause (b) of the proviso to subsection (3) of section 32 shall apply to such instrument as if such were an instrument executed or first executed out of India and first received in the 1[State of Karnataka]1 when it became chargeable to the higher duty aforesaid, but the provision contained in clause (a) of the said proviso shall not apply thereto.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

*D.—Of Valuations for Duty.*

**20. Conversion of amount expressed in foreign currencies.-** (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, 1[1899]1 (Central Act II of 1[1899]1) shall be deemed to be the current rate of exchange for the conversion of any foreign currency for the purposes of calculating the duty under sub-section (1).

1. Substituted by Act 8 of 1958 w.e.f. 29.3.1958.

**21. Stock and marketable securities how to be valued.-** Where an instrument is chargeable with *ad valorem* duty in respect of any stock or of any marketable or other security, 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. Effect of statement of rate of exchange or average price.-** 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.

**23. Instruments reserving interest.-** 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.

**24. Certain instruments connected with mortgages of marketable securities to be chargeable as agreements.-** (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 of the Schedule.

(2) A release or discharge of any such instrument shall be chargeable with the like duty.

**25. How transfer in consideration of debt, or subject to future payment etc., to be charged.-** Where any property is transferred to any person in consideration, wholly or in part, of any debt due to him, or subject either certainly or contingently to the payment or transfer of any money or stock, whether being or constituting a charge or encumbrance upon the property or not, such debt, money, or stock is to be deemed the whole or part, as the case may be, of the consideration in respect whereof the transfer is chargeable with *ad valorem* duty:

Provided that nothing in this section shall apply to any such certificate of sale as is mentioned in Article 15 of the Schedule.

**Explanation.-** In the case of a sale of property subject to a mortgage or other encumbrance, any unpaid mortgage money or money charged, together with the interest (if any) due on the same, shall be deemed to be part of the consideration for the sale:

Provided that, 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.

**Illustrations.**

(1) A owes B Rs. 1,000. A sells a property to B the consideration being Rs. 500 and the release of the previous debt of Rs. 1,000. Stamp duty is payable on Rs. 1,500.

(2) A sells a property to B for Rs. 500 which is subject to a mortgage to C for Rs. 1,000 and unpaid interest Rs. 200. Stamp duty is payable on Rs. 1,700.

(3) A mortgages a house of the value of Rs. 10,000 to B for Rs. 5,000. B afterwards buys the house from A. Stamp duty is payable on Rs. 10,000 less the amount of stamp duty already paid for the mortgage.

**26. Valuation in case of annuity, etc.-** Where an instrument is executed to secure the payment of annuity or other sum payable periodically, 1[x x x]1 the amount secured by such instrument, 1[x x x]1 shall, for the purposes of this Act be deemed to be,—

1. Omitted by Act 12 of 1975 w.e.f. 1.5.1975.

(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 1[x x x]1—the total amount which, according to the terms of such instrument 1[x x x]1 will or may be payable during the period of twenty years calculated from the date on which the first payment becomes due; and

1. Omitted by Act 12 of 1975 w.e.f. 1.5.1975.

(c) where the sum is payable for an indefinite time terminable with any life in being at the date of such instrument 1[x x x]1—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.

1. Omitted by Act 12 of 1975 w.e.f. 1.5.1975.

**27. Stamp where value of subject matter is indeterminate.-** 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 or 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:

Provided that, in the case of the lease of mine in which royalty or a share of the produce is received as the rent, or the 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 1[Deputy Commissioner]1 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

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(b) when the lease has been granted by any other person, at twenty thousand rupees a year,

and the whole amount of such royalty or share, whatever it may be, shall be claimable under such lease:

Provided also that, where proceedings have been taken in respect of any instrument under section 31 or 39 the amount certified by the 1[Deputy Commissioner]1 shall be deemed to be the stamp actually used at the date of execution.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**28. Facts affecting duty to be set forth in instrument.-** 1[(1)]1 The consideration (if any) and all other facts and circumstances affecting the chargeability of any instrument with duty, or the amount of the duty with which it is chargeable, shall be fully and truly set forth therein.

1. Re-numbered by Act 17 of 1966 w.e.f. 15.11.1966.

1[(2) In the case of instruments relating to immovable property chargeable with an *ad valorem* duty on the value of the property, and not on the value set forth, the instrument shall fully and truly set forth the annual land revenue in the case of revenue paying land, the annual rental or gross assets, if any, in the case of other immovable property, the local rates, municipal or other taxes, if any, to which such property may be subject, and any other particulars which may be prescribed by rules made under this Act.]1

1. Inserted by Act 17 of 1966 w.e.f. 15.11.1966.

1[(3) In the areas where section 45A is in force, the instruments referred to in the said section shall fully and truly set forth the market value of the property which is the subject matter of the instrument and such other particulars as the State Government may by rules prescribe.]1

1. Inserted by Act 12 of 1975 w.e.f. 1.5.1975.

1[**28A, 28B.** x x x]1

1. Omitted by Act 6 of 1999 w.e.f. 1.4.1999.

**1[29. Direction as to duty in case of certain conveyances.-** Where a sub-purchaser takes an actual conveyance of the interest of the person immediately selling to him, which is chargeable with *advalorem* 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 for 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 the conveyance or where such duty would exceed ten rupees, with a duty of ten rupees.]<sup>1</sup>

1. Substituted by Act 12 of 1975 w.e.f. 1.5.1975

***E.—Duty by whom payable.***

**30. Duties by whom payable.-** In the absence of an agreement to the contrary, the expense of providing the proper stamp shall be borne,—

(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. 12 (Bond),
- No. 13 (Bottomry Bond),
- No. 1[23]1 (Customs Bond),
- No. 1[27]1 (Further Charge),
- No. 1[29]1 (Indemnity Bond),
- No. 1[34]1 (Mortgage Deed),
- No. 1[45]1 (Release),
- No. 1[46]1 (Respondentia Bond),
- No. 1[47]1 (Security Bond or Mortgage Deed).
- No. 1[48]1 (Settlement),
- No. 1[52]1 (a) (Transfer of Debentures, being marketable securities, whether the debenture is liable to duty or not),
- No. 1[52]1 (b) (Transfer of any interest secured by a bond, mortgage deed or policy of insurance), by the person drawing, making or executing such instrument;

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(b) in the case of a conveyance (including a reconveyance of mortgaged property) by the grantee; in the case of a lease or agreement to lease—by the lessee or intended lessee;

(c) in the case of a counterpart of lease—by the lessor;

1[(ca) in the case of power of attorney by the principal;]<sup>1</sup>

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

(d) in the case of an instrument of exchange—by the parties in equal shares;

1[(dd) in the case of a certificate of enrolment in the roll of advocates maintained by the State Bar Council—by the Advocate enrolled;]1

1. Inserted by Act 29 of 1962 w.e.f. 1.10.1962.

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

(f) 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 Civil Court or arbitrator, in such proportion as such authority, Court or arbitrator directs.

### CHAPTER III

#### ADJUDICATION AS TO STAMPS

**31. Adjudication as to proper stamp.-** (1) When any instrument, whether executed or not and whether previously stamped or not is brought to the 1[Deputy Commissioner]1, 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 2[one hundred rupees]2, the 1[Deputy Commissioner]1 shall determine the duty (if any) with which, in his judgment, the instrument is chargeable.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

2. Substituted by Act 24 of 1999 w.e.f. 18.8.1999.

(2) For this purpose the 1[Deputy Commissioner]1 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:

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

Provided that,-

(a) no evidence furnished in pursuance of this section shall be used against any person in any civil proceeding except in any enquiry 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.

**32. Certificate by 1[Deputy Commissioner]1.-** (1) When an instrument brought to the 1[Deputy Commissioner]1 under section 31, is in his opinion, one of a description chargeable with duty, and,-

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(a) the 1[Deputy Commissioner]1 determines that it is already fully stamped, or

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(b) the duty determined by the 1[Deputy Commissioner]1 under section 31, 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,

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

the 1[Deputy Commissioner]1 shall certify by endorsement on such instrument that the full duty (stating the amount) with which it is chargeable has been paid.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(2) When such instrument is, in his opinion, not chargeable with duty, the 1[Deputy Commissioner]1 shall certify in manner aforesaid that such instrument is not so chargeable.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(3) 1[Subject to any orders made under Chapter VI, any instrument upon which]1 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:

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

Provided that nothing in this section shall authorise the 1[Deputy Commissioner]1 to endorse,—

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(a) any instrument executed or first executed in India 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 out of India and brought to him after the expiration of three months after it has been first received in the 1[State of Karnataka]1; or

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(c) any instrument chargeable 1[with a duty not exceeding fifteen naye paise]1 or a mortgage of crop [Article 1[35]1(a) of the Schedule] chargeable under clause

(a) or (b) of section 3 with a duty of twenty-five naye paise, when brought to him, after the execution thereof, on paper not duly stamped.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

#### CHAPTER IV

##### INSTRUMENTS NOT DULY STAMPED

**33. Examination and impounding of instruments.-** (1) 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 functions, shall, if it appears to him that such instrument is not duly stamped, impound the same.

(2) For that purpose every such person shall examine every instrument so chargeable and so produced or coming 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 1[State of Karnataka]1 when such instrument was executed or first executed:

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

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 XII or Chapter XXXVI of the Code of Criminal Procedure, 1898;

(b) in the case of a Judge of the 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 cases of doubt, the Government may determine,—

(a) what offices shall be deemed to be public offices; and

(b) who shall be deemed to be persons in charge of public offices.

**34. Instruments not duly stamped inadmissible in evidence, etc.-** 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 1[with a duty not exceeding fifteen naye paise]1 only, or a mortgage of crop [Article 1[35]1 (a) of the Schedule] chargeable under clauses (a) and (b) of section 3 with a duty of twenty-five naye paise 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, or 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;

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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 XII or Chapter XXXVI of the Code of Criminal Procedure, 1898;

(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 Government, or where it bears the certificate of the 1[Deputy Commissioner]1 as provided by section 32 or any other provision of this Act 2[and such certificate has not been revised in exercise of the powers conferred by the provisions of Chapter VI]2.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

2. Inserted by Act 29 of 1962 w.e.f. 1.10.1962.

**35. Admission of instrument where not to be questioned.-** Where an instrument has been admitted in evidence such admission shall not, except as provided in section 58, be called in question at any stage of the same suit or proceeding on the ground that the instrument has not been duly stamped.

**36. Admission of improperly stamped instruments.-** The State 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.

**37. Instruments impounded how dealt with.-** (1) When the person impounding an instrument under section 33 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 34 or of duty as provided by section 36, he shall send to the 1[Deputy Commissioner]1 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 1[Deputy Commissioner]1 or to such person as he may appoint in this behalf.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(2) In every other case, the person so impounding an instrument shall send it in original to the 1[Deputy Commissioner]1.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**38. 1[Deputy Commissioner]1's power to refund penalty paid under sub-section (1) of section 37.-** (1) When a copy of an instrument is sent to the 1[Deputy Commissioner]1 under sub-section (1) of section 37, he may, if he thinks fit, refund any portion of the penalty in excess of five rupees which has been paid in respect of such instrument.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(2) When such instrument has been impounded only because it has been written in contravention of section 13 or section 14, the 1[Deputy Commissioner]1 may refund the whole penalty so paid.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**39. 1[Deputy Commissioner]1's power to stamp instruments impounded.-** (1) When the 1[Deputy Commissioner]1 impounds any instrument under section 33, or receives any instrument sent to him under sub-section (2) of section 37, not being an instrument chargeable 1[with a duty not exceeding fifteen naye paise]1 only or a mortgage of crop [Article 1[35]1 (a) of the Schedule] chargeable under clause (a) or (b) of section 3 with a duty of twenty-five naye paise, he shall adopt the following procedure:—

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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 the proper duty or the amount required to make up the same, together with a penalty of five 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 five rupees:

Provided that, when such instrument has been impounded only because it has been written in contravention of section 13 or section 14, the 1[Deputy

Commissioner]1 may, if he thinks fit, remit the whole penalty prescribed by this section.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(2) 1[Subject to any orders made under Chapter VI, every certificate]1 under clause (a) of sub-section (1) shall, for the purposes of this Act be conclusive evidence of the matters stated therein.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(3) Where an instrument has been sent to the 1[Deputy Commissioner]1 under sub-section (2) of section 37, the 1[Deputy Commissioner]1 shall, when he has dealt with it as provided by this section, return it to the impounding officer.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**40. Instruments unduly stamped by accident.-** If any instrument chargeable with duty and not duly stamped, not being an instrument chargeable 1[with a duty not exceeding fifteen naye paise]1 or a mortgage of crop [Article 1[35]1 (a) of the Schedule] chargeable under clause (a) or (b) of section 3 with a duty of twenty-five naye paise is produced by any person of his own motion before the 1[Deputy Commissioner]1 within one year from the date of its execution or first execution and such person brings to the notice of the 1[Deputy Commissioner]1 the fact that such instrument is not duly stamped and offers to pay to the 1[Deputy Commissioner]1 the amount of the proper duty, or the amount required to make up the same, and the 1[Deputy Commissioner]1 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 33 and 39, receive such amount and proceed as next hereinafter prescribed.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**41. Endorsement of instruments on which duty has been paid under section 34, 39 or 40.-** (1) When the duty and penalty (if any) leviable in respect of any instrument have been paid under section 34, section 39 or section 40, the person admitting such instrument in evidence or the 1[Deputy Commissioner]1, 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 (stating the amount of each) have been levied in respect thereof and the name and residence of the person paying them.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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 34, shall be so delivered before the expiration of one month from the date of such impounding, or if the 1[Deputy Commissioner]1 has certified that its further detention is necessary and has not cancelled such certificate;

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

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

**42. Prosecution for offence against stamp law.-** 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:

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 1[Deputy Commissioner]1 that the offence was committed with an intention of evading payment of the proper duty.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

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

(1) When any duty or penalty has been paid under section 34, section 36, section 39 or section 40, by any person in respect of an instrument, and by agreement or under the provisions of section 30 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.

(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.

**44. Power to Revenue authority to refund penalty or excess duty in certain cases.-** (1) Where any penalty is paid under section 34 or section 39, the Chief Controlling Revenue Authority may, upon application in writing made within one year from the date of the payment, refund such penalty wholly or in part.

(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 1[any of the provisions of this Act]1, such authority may, upon application in writing made 1[within six months from the date of registration of the instrument or the order charging the same]1, refund the excess.

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999

1[Provided that with the sanction of the State Government the Chief Controlling Revenue Authority may make the refund after the period specified in sub-section (1) or (2).]1

1. Inserted by Act 29 of 1962 w.e.f. 1.10.1962.

**45. Non-liability for loss of instruments sent under section 37.-** (1) If any instrument sent to the 1[Deputy Commissioner]1 under sub-section (2) of section 37 is lost, destroyed or damaged during transmission, the person sending the same shall not be liable for such loss, destruction or damage.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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.

<sup>1</sup>**45A. Instrument of conveyance, etc. undervalued how to be dealt with.-**  
<sup>2</sup>(1) If the registering officer appointed under the Registration Act, 1908 (Central Act XVI of 1908) while registering <sup>3</sup>[any instrument of,-

(a) Conveyance [section 2(1)(d) ]; (b) Gift [Article 28(a)];

(c) Exchange of property (Article 26); (d) Settlement (Article 48-A(i))

(e) Reconstitution of Partnership (Article 40-B (a) );

(f) Dissolution of partnership (Article 40-C (a) );

(g) An agreement to sell covered under sub-clause (i) of clause (e) of Article 5;

<sup>7</sup>[(h) a lease covered under item <sup>8</sup>[(vi)] <sup>8</sup> of Article 30;] <sup>7</sup>

(i) A power of Attorney covered <sup>7</sup>[under clause (e), clause (ea) and clause (eb)]<sup>7</sup> of Article 41;

(j) Release <sup>6</sup>[(Article 45-(a)]<sup>6</sup>;

(k) Conveyance under a decree or final order of any Civil Court

has reason to believe]3 having regard to the estimated market value published by the Committee constituted under section 45B, if any or otherwise, that the market value of the property which is the subject matter of such instrument has not been truly set forth, he shall after arriving at the estimated market value, communicate the same to the parties and unless the parties pay the duty on the basis of such valuation, shall keep pending the process of registration and refer the matter along with a copy of such instrument to the Deputy Commissioner for determination of the market value of property and the proper duty payable thereon.]<sup>1</sup>

<sup>5</sup>[(l) Agreement [Article 5(f)]

(m) Award [Article 11(a)]

(n) Trust [Article 54 (A) (iii)]<sup>5</sup>

<sup>9</sup>[(o) Transferable Development Rights [ Article 20(7)].]<sup>9</sup>

1. Inserted by Act 12 of 1975 w.e.f. 1.5.1975 in Bangalore City, Hubli-Dharwad City, Municipalities of Mysore, Mangalore, Belgaum, Gulbarga, Bellary, Davanagere, Bijapur, Shimoga and Bhadravathi and w.e.f. 1.4.1991 in other areas of the State by notification.
2. Substituted by Act 24 of 1999 w.e.f. 18.8.1999.
3. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.
4. Inserted by Act 7 of 2006 w.e.f. 1.4.2006.
5. Inserted by Act 7 of 2007 w.e.f. 1.4.2007.
6. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.
7. Substituted by Act 9 of 2009 w.e.f. 1.4.2009.
8. Substituted by Act 8 of 2010 w.e.f. 1.4.2010.
9. Inserted by Act 8 of 2010 w.e.f. 1.4.2010.

(2) On receipt of a reference under sub-section (1), the Deputy Commissioner shall, after giving the parties a reasonable opportunity of being heard and after holding an inquiry in such manner as the State Government may by rules prescribe, determine by order 1[as for as may be within ninety days from the date of receipt of such reference]1 the market value of the property which is the 2[subject matter of instrument specified in sub-section (1) and the duty payable thereon.]2 The difference, if any, in the amount of duty, shall be payable by the person liable to pay the duty. <sup>3</sup>[with interest at twelve percent per annum if he does not pay within ninety days from the date of order of the Deputy Commissioner]<sup>3</sup>

<sup>3</sup>[Provided that the payment of interest is not applicable to instruments executed prior to 31<sup>st</sup> day of March, 2006.]<sup>3</sup>

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

2. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.

3. Inserted by Act 7 of 2006 w.e.f. 1.4.2006.

(3) The Deputy Commissioner may, *suo motu* within two years from the date of registration of 1[any instrument specified in sub-section (1)]1 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 <sup>1</sup>[subject matter of any instrument specified in sub-section (1) and the duty payable thereon]<sup>1</sup> and if after such examination he has reason to believe that the market value of such property has not been truly set forth in the instrument, he may determine by order the market value of such property and the duty payable thereon 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 <sup>2</sup>[with interest at twelve percent per annum if he does not pay within ninety days from the date of order of the Deputy Commissioner]<sup>2</sup>:

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.

2. Inserted by Act 7 of 2006 w.e.f. 1.4.2006.

Provided that nothing in this sub-section shall apply to any instrument registered before the commencement of the Karnataka Stamp (Amendment) Act, 1975

<sup>2</sup>[Provided further that the payment of interest is not applicable to instruments executed prior to 31<sup>st</sup> day of March 2006.]<sup>2</sup>.

2. Inserted by Act 7 of 2006 w.e.f. 1.4.2006.

(4) The order of the Deputy Commissioner under sub-section (2) or (3) shall be communicated to the person liable to pay the duty. A copy of every such order shall be sent to the registering officer concerned.

(5) Any person aggrieved by an order of the Deputy Commissioner under sub-section (2) or sub-section (3) may, prefer an appeal before the <sup>1</sup>[Regional Commissioner]<sup>1</sup> and all such appeals shall be preferred within such time and be heard and disposed off in such manner as the State Government may by rules prescribe.]<sup>1</sup>

1. Substituted by Act 17 of 2007 w.e.f. 5.1.2007.

<sup>1</sup>[Provided that no appeal shall be admitted unless the person aggrieved has deposited, in the prescribed manner, fifty percent of the difference in the amount of duty as determined by the Deputy Commissioner under sub-section (2) or (3):

1. Proviso 1,2 and 3 inserted by Act 24 of 1999 w.e.f. 18.8.1999.

Provided further that where after the determination of the market value by the Appellate Authority or determined again by the Deputy Commissioner on a remand of the case the stamp duty borne is found to be sufficient, the amount deposited shall be returned to the person concerned:

<sup>1</sup>[Provided also that such person shall pay the difference in duty along with interest at twelve percent per annum if he does not pay with in ninety days from the

date of order of the Deputy Commissioner or sixty days from the date of order of the Appellate Authority, so however, the payment of interest is not applicable to instruments executed prior to eighteenth day of August 1999]1]1

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.

<sup>1</sup>[**Explanation.**- x x x ]1

1. Omitted by Act 6 of 1999 w.e.f. 1.4.1999.

<sup>1</sup>[**45B. Constitution of Central Valuation Committee.**- (1) The State Government shall by notification, constitute a Central Valuation Committee, under the chairmanship of Inspector General of Registration and Commissioner of Stamps, for estimation, publication and revision of market value guidelines of properties in any area in the State at such intervals and in such manner as may be prescribed, for the purpose of section 45-A.

(2) The Central 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 market valuation sub-committees in each sub-district and district comprising of such members as may be prescribed, for estimation and revision of the market value guidelines in the State.

(3) Sub-committees so constituted shall function under the Central Valuation Committee and shall follow such procedures as may be prescribed and shall be subject to reconstitution whenever found necessary.]<sup>1</sup>

1. Subsections (1) to (3) substituted by Act 8 of 2003 w.e.f. 1.4.2003

**46. Recovery of duties and penalties.**- 1[(1)] 1 All duties, penalties and other sums required to be paid under this Chapter may be recovered 2[along with simple interest at such rate as may be specified by the State Government by notification]2 by the 3[Deputy Commissioner]3 by distress and sale of the moveable property of the person from whom the same are due, or by any other process for the time being in force for the recovery of arrears of land revenue.

1. Re-numbered by Act 11 of 1991 w.e.f. 1.4.1991.

2. Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

3. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

<sup>1</sup> [<sup>2</sup>(2) All duties, penalties and other sums required to be paid under this Chapter shall be a charge on the property which is the subject matter of the Instrument:]<sup>2</sup>

1. Sub-sections (2) and (3) Substituted by Act 24 of 1999 w.e.f. 18.8.1999

2. Inserted by Act 11 of 1991 w.e.f. 1.4.1991

Provided that the provisions of sub-section (2) shall be deemed to apply to all cases of which are pending recovery and to proceedings under sub-section (1) which have already been initiated.

(3) Notwithstanding anything contained in the Registration Act, 1908 (Central Act XVI of 1908), a note of such charge and its extinguishments shall be made in the indices prescribed therein and shall be deemed to be a notice under the said Act]1

<sup>1</sup>[46A. **Recovery of stamp duty not levied or short levied.**- (1) Where any instrument chargeable with duty has not been duly stamped, the Chief Controlling Revenue Authority or any other officer authorised by the State Government (hereinafter referred to as the authorised officer) may, within <sup>2</sup>[five years]2 from the date of commencement of the Karnataka Stamp (Amendment) Act, 1980 or the date on which the duty became payable whichever is later, serve notice on the person by whom the duty was payable requiring him to show cause why the proper duty or the amount required to make up the same should not be collected from him:

Provided that where the non-payment was by reason of fraud, collusion or any wilful mis-statement or suppression of facts or contravention of any of the provisions of this Act or of the rules made thereunder with intent to evade payment of duty, the provisions of this sub-section shall have effect, as if for the words <sup>2</sup>[five years]2 the words <sup>2</sup>[ten years]2 were substituted:

Provided further that nothing in this sub-section shall apply to instruments executed prior to first day of April, 1972.

1. Inserted by Act 15 of 1980 w.e.f. 1.4.1972.

2. Substituted by Act 16 of 1983 w.e.f. 1.4.1972.

**Explanation.**— Where the service of a notice, under this sub-section is stayed by an order of a court, the period of such stay shall be excluded in computing the aforesaid period of 1 [five years]1 or 1[ten years]1, as the case may be.

1. Substituted by Act 16 of 1983 w.e.f. 1.4.1972.

(2) The Chief Controlling Revenue Authority or the authorised officer shall, after considering the representation, if any, made by the person on whom notice is served under sub-section (1), determine the amount of duty due from such person (not being in excess of the amount specified in the notice) and thereupon such person shall pay the amount so determined.

(3) Any person aggrieved by an order under sub-section (2), may prefer an appeal before the Karnataka Appellate Tribunal within three months from the date of such order.

<sup>1</sup>[(4) All duties payable under this section shall be recovered in accordance with provisions of section 46.]1]1

1. Substituted by Act 24 of 1999 w.e.f. 18.8.1999.

1[46B. **Duties, penalties etc, to be certified.**- All duties whether proper or deficit, penalties, or any other sums paid or recovered under any of the provisions of this Act shall be certified on the instruments in the manner prescribed]<sup>1</sup>

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999.

## CHAPTER V

### ALLOWANCES FOR STAMPS IN CERTAIN CASES

**47. Allowance for spoiled stamps.**- Subject to such rules as may be made by the State Government as to evidence to be required, or the enquiry to be made, the 1[Deputy Commissioner]1 may, on application made within the period prescribed in section 48, and if he is satisfied as to the facts, make allowance for impressed stamps spoiled in the cases hereinafter mentioned, namely:—

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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 absolutely void in law from the beginning;

(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 want of the execution thereof by some material party, and his inability or refusal to sign the same, is in fact 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.**— The certificate of the 1[Deputy Commissioner]1 under section 32, that the full duty with which an instrument is chargeable has been paid, is an impressed stamp within the meaning of this section.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**48. Application for relief under section 47 when to be made.**— The application for relief under section 47 shall be made within the following periods, that is to say,—

(1) in the cases mentioned in clause (c)(5), within 1[six months]1 of the date of the instrument;

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

(2) in the case of a stamped paper on which no instrument has been executed by any of the parties thereto, within 1[one year]1 after the stamp has been spoiled;

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

(3) in the case of a stamped paper in which an instrument has been executed by any of the parties thereto, within 1[one year]1 after the date of the instrument or, if it is not dated, within 1[one year]1 after execution thereof by the person by whom it was first or alone executed;

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

Provided that,—

(a) when the spoiled instrument has been for sufficient reasons sent out of the 1[State of Karnataka]1 the application may be made within 2[one year]2 after it has been received back in the 1[State of Karnataka]1;

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

2. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

(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 1[one year]1 after the date of execution of the substituted instrument.

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

**49. Allowance in case of printed forms no longer required by Corporations.-** The Chief Controlling Revenue Authority may, without limit of time, make allowance for stamped papers used for printed forms of instruments by any banker or by any incorporated company or other body corporate, if for any sufficient reason such forms have ceased to be required by the said banker, company or body corporate: provided that such authority is satisfied that the duty in respect of such stamped papers has been duly paid.

- 50. Allowance for misused stamps.-** (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
- (b) when any stamp used for an instrument has been inadvertently rendered useless under section 15, owing to such instrument having been written in contravention of the provisions of section 13;

the 1[Deputy Commissioner]1 may, on application made within 2[one year]2 after the date of the instrument, or, if it is not dated, within 2[one year]2 after the 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.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

2. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

**1[51. Allowance for spoiled or misused stamps how to be made.-** In any case in which allowance is made for spoiled or misused stamps, the Deputy Commissioner may, after deducting twenty paise for each rupee or a fraction thereof, give in lieu thereof,-

- (a) other stamps of the same description ; or
- (b) if required and if he thinks fit, stamps of any, other description; or
- (c) at his discretion the value in money equal to the discounted value.]1

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

**52. Allowance for stamps not required for use.-** 1[[1]]1 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

3[Deputy Commissioner]3 shall repay to such person the value of such stamp or stamps in money, deducting 2[ten naye paise]2 for each rupee or portion of a rupee, upon such person delivering up the same to be cancelled, and proving to the 3[Deputy Commissioner's]3 satisfaction—

1. Renumbered by Act 6 of 1999 w.e.f. 1.4.1999.

2. Substituted by Act 8 of 1958 w.e.f. 29.3.1958.

3. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

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

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

(c) that they were so purchased within the period of 1[one year]1 next preceding the date on which they were so delivered:

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.

Provided that, where the person is a licensed vendor of stamps the 1[Deputy Commissioner]1 may, if he thinks fit, make the repayment of the sum actually paid by the vendor without any such deduction as aforesaid.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

1[(2) An appeal shall lie against the orders of the Deputy Commissioner within sixty days from the date of the order passed under this chapter to the Chief Controlling Revenue Authority.]1

1. Inserted by Act 6 of 1999 w.e.f. 1.4.1999.

**1[52A. Power of State Government to grant relief.-** Notwithstanding anything in the preceding sections of this Chapter, the State Government, after consultation with the Chief Controlling Revenue Authority, if satisfied that it is just and equitable to grant relief in any case or class of cases,—

(i) other than those to which any of the said sections is applicable; or

(ii) after the period specified in any of the said sections,

may by order direct the grant of such relief as may be specified in the order and the Deputy Commissioner shall dispose of the case or class of cases conformably to such order.]1

1. Inserted by Act 29 of 1962 w.e.f. 1.10.1962.

1[Provided that the provisions of this section shall not apply to cases where refunds are claimed for loss of stamps.]1

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999

**CHAPTER VI****REFERENCE AND REVISION**

**53. Control of and statement of case to, Chief Controlling Revenue Authority.-** (1) The powers exercisable by a 1[Deputy Commissioner]1 under 1[any provision of this Act or any rule or order made thereunder]1 shall in all cases be subject to the control of the Chief Controlling Revenue Authority.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962

(2) If any 1[Deputy Commissioner]1 acting under section 31, section 39 or section 40, 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.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962

(3) Such authority shall consider the case and send a copy of its decision to the 1[Deputy Commissioner]1 who shall proceed to assess and charge the duty (if any) in conformity with such decision.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962

**<sup>1</sup>[53A. Revision of order passed by Deputy Commissioner or Authorised officers.-** (1) The Chief Controlling Revenue Authority may except where the matter is pending before an appellate authority under this Act, *suo-motu*, within a period of five years from the date of the order passed under this Act by the Deputy Commissioner or such other officer authorised by the State Government in this behalf, call for and examine the records relating to such order or proceedings taken under this Act by the Deputy Commissioner or the authorised officer, and if after such examination it has reason to believe that the order so made or proceedings so taken is erroneous or are not in accordance with the provisions of this Act or prejudicial to the interest of the revenue, it may after giving the parties interested an opportunity of being heard, pass an order in writing confirming, modifying or setting aside such order and direct the Deputy Commissioner or the authorised officer, as the case may be to collect the difference of duty, if any payable in accordance with the provisions of section 46:

1. Inserted by Act 24 of 1999 w.e.f. 18.8.1999

Provided that in appropriate cases, the Chief Controlling Revenue Authority may order stay of operation of the order under revision, pending hearing of the case.

(2) The Chief Controlling Revenue Authority may for the purpose of sub-section (1), require the concerned person to produce before it, the instrument and examine such instrument to determine whether any duty is chargeable or the duty is short

levied or improperly levied on account of any wilful mis-statement or suppression of facts made or of contravention of any of the provisions of this Act or rules made thereunder by such person with intent to evade payment of duty.]<sup>1</sup>

**54. Statement of case by Chief Controlling Revenue Authority to High Court.-** (1) The Chief Controlling Revenue Authority may, state any case referred to it under sub-section (2) of section 53 or otherwise coming to its notice, and refer such case, with its own opinion thereon, to the High Court.

(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.

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

**56. Procedure in disposing of case stated.-** (1) The High Court, upon the hearing of any such case, shall decide the questions raised thereby, and shall deliver its judgment thereon containing the grounds on which such 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 the signature of the Registrar; and the Revenue Authority shall, on receiving such copy, dispose of the case conformably to such judgment.

**57. Statement of case by other Courts to High Court.-** (1), If any Court, other than the High Court, feels doubt as to the amount of duty to be paid in respect of any instrument under proviso (a) to section 34, 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.

(2) Such Court shall deal with the case as if it had been referred under section 54, 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.

**58. Revision of certain decisions of Courts regarding the sufficiency of stamps.-** (1) When any Court in the exercise of its Civil or Revenue jurisdiction or

any Criminal Court in any proceeding under Chapter XII or Chapter XXXVI of the Code of Criminal Procedure, 1898, makes any order admitting any instrument in evidence as duly stamped or as not requiring a stamp, or upon payment of duty and a penalty under section 34, the Court to which appeals lie from, or references are made by, such first mentioned Court may, of its own motion or on the application of the 1[Deputy Commissioner]1, take such order into consideration

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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 34, 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 1[Deputy Commissioner]1 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.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(4) The 1[Deputy Commissioner]1 may thereupon, notwithstanding anything contained in the order admitting such instrument in evidence, or in any certificate granted under section 41, or in section 42, prosecute any person for any offence against the stamp-law which the 1[Deputy Commissioner]1 considers him to have committed in respect of such instrument:

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

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 34, is paid to the 1[Deputy Commissioner]1 unless he thinks that the offence was committed with an intention of evading payment of the proper duty;

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(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 41.

## CHAPTER VII

### CRIMINAL OFFENCES AND PROCEDURE

**59. Penalty for executing, etc., instrument not duly stamped.-** (1) Any person executing or signing otherwise than as a witness any instrument chargeable with duty, without the same being duly stamped shall for every such offence 1[be punishable with imprisonment for a term which shall not be less than one month but which may extend to six months or with fine which may extend to five thousand rupees or with both]1:

1. Substituted by Act 24 of 1999 w.e.f. 18.8.1999.

Provided that, when any penalty has been paid in respect of any instrument under section 34, section 39 or section 58, 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 hundred rupees.

**1[59A. Penalty for making false declaration in clearance list.-** Any person who in a clearance list makes a declaration which is false or which he either knows or believes to be false where it results in loss of stamp duty to the State Government shall, on conviction be punishable with imprisonment for a term which shall not be less than one month but which may extend to six months and with fine which may extend to five thousand rupees.

1. Sections 59A and 59B inserted by Act 24 of 1999 w.e.f. 18.8.1999.

**59B. Penalty for failure to produce documents.-** Any person who,-

- (i) fails to produce any register, book, record, paper, application, document, instrument or proceedings for inspection, or
- (ii) prevents or obstructs the inspection, entry, search or seizure by an officer, empowered under this Act,

shall on conviction, be punishable with imprisonment for a term which shall not be less than one month but which may extend to six months or with fine which may extend to five thousand rupees or with both.]1

**60. 1[X X X]1**

1. Omitted by Act 1 of 2008 w.e.f. 1.4.2003

**61. Penalty for omission to comply with provisions of section 28.-** 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 fully and truly to set forth therein all such facts and circumstances; or
- 1[(c) makes any false statement or does any other act calculated to deprive the Government of any duty or penalty under this Act,]1  
shall be punishable with fine which may extend to 1[five times the amount of the deficient duty thereof]1.

1. Substituted by Act 24 of 1999 w.e.f. 18.8.1999.

**62. Penalty for devices to defraud the revenue.-** Any person who with intent to defraud the Government of duty, practices or is concerned in any act, contrivance or device not specially punishable under this Act or any other law for the time being in force shall be punishable with fine which may extend to one thousand rupees.

<sup>1</sup>**63. Penalty for franking, recording certificate or embossing contrary to the Act or the rules.-** Any person who is authorised to frank or record the certificate of stamp or emboss the duty acts in contravention of the Act or the rules made thereunder shall, on conviction, be punishable with imprisonment for a term which shall not be less than one month but which may extend to six months or with fine which may extend to five thousand rupees or with both.]<sup>1</sup>

1. Substituted by Act 1 of 2008 w.e.f. 1.4.2003

<sup>1</sup>**63A. Penalty for contravention of other provisions.-** Any person who willfully acts in contravention of any of the provisions of this Act in respect of which no other provision has been made in this Chapter, shall be punishable with imprisonment which may extend to six months, or with fine which may extend to five hundred rupees, or with both.]<sup>1</sup>

1. Inserted by Act 17 of 1966 w.e.f. 15.11.1966.

**64. Institution and conduct of prosecutions.-** (1) No prosecution in respect of any offence punishable under this Act or any enactment hereby repealed, shall be instituted without the sanction of the 1[Deputy Commissioner]1 or such other officer as the Government generally, or the 1[Deputy Commissioner]1 specially, authorizes in that behalf.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

(2) The Chief Controlling Revenue Authority, or any officer generally or specially authorized by it in this behalf, may stay any such prosecution or compound any such offence.

(3) The amount of any such composition shall be recoverable in the manner provided by section 46.

**65. Jurisdiction of Magistrates.-** No Magistrate other than a Magistrate whose powers are not less than those of a Magistrate of the second class, shall try any offence under this Act.

**1[66. Place of trial.-** Every offence under this Act committed in respect of any instrument may be tried in any district or metropolitan area in which such instrument is executed or found or where such offence is triable under the Code of Criminal Procedure, 1973.]1

1. Substituted by Act 24 of 1999 w.e.f 18.8.1999.

## CHAPTER VIII

### SUPPLEMENTAL PROVISIONS

**1[67. Books, etc., to be open to inspection.-** A Deputy Commissioner or an Assistant Commissioner or any officer not below the rank of a Sub-registrar authorised by the Deputy Commissioner or Chief Controlling Revenue Authority in this behalf may for the purpose of this Act require every public officer or any person to produce or permit at all reasonable time inspection of such registers, books, records, papers, documents, information in electronic storage and retrieval device or medium, applications, instrument 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 and take such notes and extracts as he may deem necessary without fee or charge and may if necessary seize them and impound them under section 33.]1

1. Substituted by Act 24 of 1999 w.e.f 18.8.1999.

**1[67A. Procedure of Chief Controlling Revenue Authority and the Deputy Commissioner and rectification of mistakes.-** (1) No order relating to the proper stamp duty payable under this Act shall be made by the Chief Controlling Revenue Authority or the Deputy Commissioner to the prejudice of any person liable to pay such duty, unless a reasonable opportunity to be heard is given to such person.

(2) The State Government, the Chief Controlling Revenue Authority or the Deputy Commissioner may *suo motu* or on application of any party affected at any time within three years from the date of any order passed by it or him review such order and rectify any mistake, or error apparent from the record:

Provided that no such rectification shall be made to the prejudice of any person unless a reasonable opportunity to be heard is given to such person.]1

1. Inserted by Act 29 of 1962 w.e.f. 1.10.1962.

**1[67B. Power to enter premises and inspect certain documents.-** (1) Where the Deputy Commissioner or an Assistant Commissioner or any officer not below the rank of Sub-registrar authorised by the Deputy Commissioner or Chief Controlling Revenue Authority has reason to believe that any of the instruments specified in the schedule has not been charged at all or incorrectly charged with duty leviable under this Act or the Indian Stamp Act, 1899 in so far it is applicable to the State of Karnataka, he shall have power to enter and search any premises where he has reason to believe that any register, book, record paper, application, information in electronic storage and retrieval device or medium, instrument or proceedings are kept and to inspect them and to take such notes and extracts as he may deem necessary. Every person having in his custody or is maintaining such register, book, record, paper, application, instrument or proceedings shall at all reasonable times produce, or permit the Deputy Commissioner, Assistant Commissioner or such officer to inspect them and to take notes and extracts as he may deem necessary and if necessary seize and impound them under section 33:

1. Inserted by Act 17 of 1966 w.e.f. 15.11.1966 & substituted by Act 24 of 1999 w.e.f. 18.8.1999.

Provided that no residential accommodation (not being a place of business-cum-residence) shall be so entered into and searched except on the authority of a search warrant issued by a Magistrate having jurisdiction over the area; and all searches under this section shall, so far as may be made in accordance with the provisions of the Code of Criminal Procedure, 1973 (Central Act 2 of 1974).

(2) If upon such inspection, the Deputy Commissioner, Assistant Commissioner or the officer so authorised is of opinion that any instrument chargeable with duty and is not duly stamped he shall require the person liable to pay the proper duty or the amount required to make up the same and also penalty, not exceeding five times the amount of the deficient duty thereof if any leviable, and in case of default the amount of duty and penalty shall be recovered in accordance with provisions of section 46:

Provided that before taking any action under this sub-section, a reasonable opportunity of being heard shall be given to the person likely to affected thereby.]1

**68. Powers to make rules.-** (1) The State Government may by notification in the official Gazette, make rules to carry out generally the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power such rules may be made for regulating,—

- (a) the supply and sale of stamps and stamped papers,
- (b) the persons by whom alone such sale is to be conducted,
- (c) the duties and remuneration of such persons, 1[x x x]1

1. Omitted by Act 12 of 1975 w.e.f. 1.5.1975.

(d) the fines which shall in no case exceed five hundred rupees, to be incurred on breach of any rule:

1[(e) the manner of holding inquiry under section 2[45A(2) and (3)]2; and

1. Inserted by Act 12 of 1975 w.e.f. 1.5.1975.

2. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

(f) the time within which an appeal shall be preferred and the manner in which such appeal shall be heard and disposed of by the 1[Deputy Inspector General of Registration of the Department of Registration and Stamps.]11

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

1[(g) regulating the Constitution of Central Valuation Committee and other sub-committees in the sub-districts and districts and procedure for the estimation, publication and revision of market value guidelines of properties under section 45-B]1

1. Inserted by Act 8 of 2003 w.e.f. 1.4.2003

Provided that such rules shall not restrict the sale of 1[fifteen naye paise, ten naye paise or five naye paise]1 adhesive stamps.

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

1[(3) Every rule made under this section shall be laid as soon as may be after it is made before each House of the State Legislature while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule 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.]1

1. Substituted by Act 29 of 1962 w.e.f. 1.10.1962.

**69. Saving as to Court Fees.-** 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.

**70. Act to be translated and sold cheaply.-** The State Government shall make provision for the sale of a translation of this Act in Kannada and other regional languages 1[at such price as the State Government may from time to time fix, per copy]1.

1. Substituted by Act 12 of 1975 w.e.f. 1.5.1975.

**71. Repeal and savings.-** The Mysore Stamp Act, 1900 (Mysore Act II of 1900), as in force in the Mysore Area and the Hyderabad Stamp Act, 1331 F (Hyderabad Act IV of 1331 Fasli), as in force in the 1[Gulbarga Area]1 are hereby repealed:

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

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.

**72. Application of Indian Stamp Act, 1899.-** (1) The Indian Stamp Act, 1899 (Central Act II of 1899), as in force in the 1[Mangalore and Kollegal Area.]1 shall, notwithstanding anything contained in any law, extend to the whole of the 1[State of Karnataka]1, and shall remain in force in so far 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.

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

(2) Save as provided in sub-section (1), the Indian Stamp Act 1899 (Central Act II of 1899), as in force in the 1[Belgaum Area]1, Coorg District and the 1[Mangalore and Kollegal Area.]1 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:

1. Adapted by the Karnataka Adaptations of Laws Order, 1973 w.e.f. 1.11.1973.

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.

### 1[SCHEDULE

#### Stamp Duty on Instruments

1. Whole schedule has been Substituted by Act 21 of 1979 w.e.f. 31.3.1979.

Article No.	Description of Instrument	Proper stamp-duty
1	2	3
	<sup>1</sup> [1. Acknowledgment of,— (i) a debt 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 creditors' possession and the amount or value of such debt,—	
	(a) exceeds rupees 100 but does not exceed rupees 2[5,000.] <sup>2</sup>	<sup>2</sup> [Two rupee.] <sup>2</sup>
	<sup>2</sup> [(b) When exceeds Rs. 5,000/-.	Two rupees plus rupees two for every thousand or part thereof] <sup>2</sup> <sup>3</sup> [Subject to a maximum of rupees one thousand] <sup>3</sup>

	<p>(ii) a letter, article, document, parcel, package, or consignment, of any nature or discription, whatsoever or by whatever name called, given by a person, courier company, firm, or body of persons whether incorporated or unincorporated to the sender of such letter, articles, document, parcel, package or consignment.</p> <p>1. Substituted by Act 8 of 1995 w.e.f. 1.4.1995. 2. Substituted by Act 7 of 2000 w.e.f. 1.4.2000. 3. Inserted by Act 6 of 2001 w.e.f. 1.4.2001</p>	One rupee for every rupees one hundred or part thereof of the amount charged therefor] <sup>1</sup>
	<p><b>2. Administration Bond,-</b> including a bond given under section 6 of the Government Savings Banks Act, 1873 (Central Act V of 1873) or section 289, 291, 375 or 376 of the Indian Succession Act, 1925 (Central Act XXXIX of 1925)—</p> <p>(a) where the amount does not exceed Rs. 1,000.</p> <p>(b) in any other case</p> <p>1. Substituted by Act 10 of 1990 w.e.f. 1.4.1990.</p>	The same duty as a Bond (No. 12) for such amount. <sup>1</sup> [One hundred rupees] <sup>1</sup>
	<p><b>3. Adoption deed,-</b> that is to say, any instrument (other than a will), recording an adoption, or conferring or purporting to confer an authority to adopt.</p> <p>1. Substituted by Act 8 of 20030 w.e.f. 1.4.2003.</p>	<sup>1</sup> [Five hundred rupees] <sup>1</sup>
	<p><b>Advocate,-</b> See Certificate of enrolment as an Advocate (No. 17).</p>	
	<p><b>4. Affidavit,-</b> including an affirmation or declaration in the case of persons by law allowed to affirm or declare instead of swearing.</p> <p>1. Substituted by Act 7 of 2000 w.e.f. 1.4.2000.</p>	<sup>1</sup> [Twenty rupees] <sup>1</sup>

#### EXEMPTIONS

Affidavit or declaration in writing when made,—

(a) as a condition of enlistment to the Armed Forces of the Union;

(b) for the immediate purpose of being filed or used in any Court or before the officer of any Court; or

(c) for the sole purpose of enabling any person to receive any pension or charitable allowance.

**5. Agreement or 1[its records or]1 Memorandum of an Agreement,—**

2[(a) if relating to the sale of a bill of exchange.

One rupee for every rupees ten thousand or part thereof.

(b) if relating to the purchase or sale of a Government security.

One rupee for every rupees ten thousand or part thereof of the value of the security at the time of its purchase or sale, as the case may be, subject to a maximum of rupees one thousand.

(c) If relating to the purchase or sale of shares, scripts, stocks, bonds, debentures, debenture stocks or any other marketable security of a like nature in or of any in-corporated company or other body corporate,-

(i) when such agreement or memorandum or an agreement is with or through a member or between members of Stock Exchange recognised under the Security Contracts (Regulation) Act, 1956 (XLII of 1956)

One rupee for every rupees ten thousand 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 rupees ten thousand or part thereof of the value of the security at the time of its purchase or sale as the case may be.]2

3[(d) if relating to a transaction of lease-cum-sale in connection with the allotment of a building site, with or without building thereon, effected by the Bangalore Development and the amount Authority constituted under the Bangalore Development Authority Act, 1976 (Karnataka Act 12 of 1976), the City Improvement Trust Board, Mysore

The same duty as a conveyance (20) for a market value equal to the security deposit and the amount of average annual rent reserved under such agreement]3

constituted under the City of Mysore Improvement Act, 1903 (Mysore Act III of 1903), the Karnataka Housing Board constituted under the Karnataka Housing Board Act, 1962, (Karnataka Act 10 of 1963), the Improvement Boards constituted under the Karnataka Improvement Boards Act, 1976 (Karnataka Act 11 of 1976) 4[,House Building Co-operative Societies registered under the Karnataka Co-operative Societies Act, 1959 (Karnataka Act 11 of 1959)]4 5[,or the allotment of industrial sheds and plots by the Karnataka Industrial Areas Development Board established under the Karnataka Industrial Area Development Act, 1966 (Karnataka Act 18 of 1966), the Karnataka Small Scale Industrial Development Corporation, the Karnataka State Industrial Investment and Development Corporation and the Karnataka State Electronics Development Corporation, registered as a company under the Companies Act, 1956 (Central Act 1 of 1956), or the allotment of land or site with or without building to the market functionaries in the yard by the Agricultural Produce Market Committees constituted under the Karnataka Agricultural Produce Marketing (Regulation) Act, 1966 (Karnataka Act 27 of 1966)]5 6[,Municipal Corporation constituted under the Karnataka Municipal Corporations Act, 1976, (Karnataka Act 24 of 1978), Municipal Councils or Town Panchayats constituted under the Karnataka Municipalities Act, 1964 (Karnataka Act 22 of 1964), Urban Development Authorities Constituted

under the Karnataka Urban Development Authorities Act, 1987 (Karnataka Act 34 of 1987), Grama Panchayats, Taluk Panchayats and Zilla Panchayats constituted under the Karnataka Panchayat Raj Act, 1993 (Karnataka Act 14 of 1993)]<sup>6</sup> and such other authorities as may be specified by the Government.

6[(da) Where any instrument of lease-cum-sale effected by the Bangalore Development Authority constituted under the Bangalore Development Authority Act, 1976 (Karnataka Act 12 of 1976), the Karnataka Housing Board constituted under the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963) pertaining to premises of a Flat or Apartments.

<sup>2</sup>[e) If relating to sale. of immovable property wherein part performance of the contract,-

(i) possession of the property is delivered or is agreed to be delivered without executing the conveyance;

<sup>7</sup>[(ii) possession of the property is not delivered

**Explanation-I,-** When a reference, of a Power of Attorney granted separately by the seller to the purchaser in respect of the property which is the subject matter of such agreement, is

The duty payable shall be as a conveyance [No. 20(3)] for the market value equal to the security deposit and the amount of average annual rent reserved under such agreement.]<sup>6</sup>

Same duty as a conveyance (No. 20) on the market value of the property.

<sup>11</sup>[Provided that, where a deed of cancellation of earlier agreement is executed by and between the same parties in respect of the same property and if proper stamp duty has been paid on such agreement, then the duty on such 'deed of cancellation' shall not exceed rupees five hundred.]<sup>11</sup>

Ten paise for every one hundred rupees or part thereof on the market value equal to the amount of consideration subject to a maximum of rupees twenty thousand but not less than rupees five hundred

made in the agreement, then the possession of the property is deemed to have been delivered for the purpose of this clause.

**Explanation-II,-** For the purpose of clause (e) and clause (h) where subsequently conveyance or mortgage as the case may be, is executed between the same parties in pursuance of such agreement or its records or memorandum, the stamp duty, if any, already paid and recovered on the agreement or its record or memorandum shall be adjusted towards the total duty leviable on the conveyance or mortgage, as the case may be

Provided that if the proper stamp duty is paid on power of attorney under Article 41(e) or 41 (eb) as the case may, be executed between the same parties in respect of the same property, then the stamp duty chargeable on such agreement under Article 5(e) shall not exceed rupees two hundred.]<sup>7</sup>

(b) Where such agreement or memorandum of an agreement does not relate to monetary transactions or transactions not susceptible to valuation in terms of money

Fifty rupees

<sup>12</sup>[(f) XXX] <sup>12</sup>

<sup>14</sup>[(f) If relating to construction or development of an immovable property, including a multi-unit house or building or unit of apartment or flat or portion of a multi-storied building by a developer or builder or promoter or by whatever name called having a stipulation that, for such construction or development, the property shall be held jointly by the developer or builder or promoter or by whatever name called and the owner or lessee, as the case may be, of such property, or that it shall be sold jointly by them or that a part of it shall be held jointly by them and the remaining part thereof shall be sold jointly by them.

One Rupee for every one hundred rupees or part thereof, on the market value of the property which is the subject matter of development in the agreement or on consideration, whichever is higher, subject to a maximum of rupees fifteen lakhs.]<sup>14</sup>

- (g) if relating to sale of moveable property Same duty in sub-clause (e) of this article
- (h) If relating to the mortgage Same duty as under article 34 (a) or (b) as the case may be.

<sup>11</sup> [(i) if relating to contract between Depository Participant (as defined in "The Depository Act, 1996") and client, for opening de-mat account	Rupees fifty
(ia) if relating to contract between stock broker or sub broker(agent) and client(principal), for Stock Market operations	Rupees fifty] <sup>11</sup>

<sup>14</sup>[(ib) If relating to advertisement or telecasting or broadcasting of programs for promotion and development of business One Rupee for every one thousand rupees or part there of on the amount or consideration in the agreement, but not less than Rupees two hundred.

(ic) If relating to assignment or transfer of intellectual property rights (i.e., patent rights, copy rights or trade marks rights.) One Rupee for every one thousand rupees or part there of on the amount or consideration in the agreement, but not less than Rupees two hundred.

(id) If relating to building Works or labour or services (works contracts)

- (i) Where the amount or consideration in the agreement does not exceed Rupees ten lakhs Rupees one hundred
- (ii) where the amount or consideration in the agreement exceeds Rupees ten lakhs Rupees One hundred and in addition Rupees One hundred for every Rupees ten lakhs or part thereof in excess of Rupees ten lakhs, subject to a maximum of Rupees five lakhs.]<sup>14</sup>

<sup>13</sup>[(j)]<sup>13</sup> If not otherwise provided for <sup>9</sup>[two hundred rupees]<sup>9</sup>

**Explanation:** <sup>10</sup>[(l) x x x]<sup>10</sup>

(II) For the purpose of <sup>8</sup>[sub-clause (i) and (ii)]<sup>8</sup> of clause (e) and clause (h), where subsequently conveyance or mortgage as the case may be, is executed in pursuance of such agreement or its records or memorandum the stamp duty, if any, already paid and recovered on the agreement or its record or memorandum shall be adjusted towards the total duty leviable on the conveyance or mortgage, as the case may be.]<sup>2</sup>

### EXEMPTIONS

Agreement or memorandum of Agreement,-

(a) for or relating to the purchase or sale of goods, or merchandise exclusively, not being a note or memorandum chargeable under Article 37.

(b) made in the form of tenders to the Central Government, for or relating to any loan.

1. Inserted by Act 8 of 1995 w.e.f. 1.4.1995.
2. Substituted by Act 8 of 1995 w.e.f. 1.4.1995.
3. Inserted by Act 16 of 1981 w.e.f. 10.9.1980.
4. Inserted by Act 10 of 1988 w.e.f. 25.4.1988.
5. Inserted by Act 22 of 1997 w.e.f. 29.9.1997.
6. Inserted by Act 6 of 1999 w.e.f. 1.4.1999.
7. Substituted by Act 16 of 2011 w.e.f. 1.4.2011.
8. Substituted by Act 7 of 2007 w.e.f. 1.4.2007
9. Substituted by Act 9 of 2009 w.e.f. 1.4.2009
10. Omitted by Act 5 of 1998 w.e.f. 1.4.1998.
11. Inserted by Act 8 of 2010 w.e.f. 1.4.2010.
12. Omitted by Act 16 of 2011 w.e.f. 1.4.2011.

13. renumbered by Act 8 of 2010 w.e.f.1.4.2010.

14. Inserted by Act 15 of 2012 w.e.f. 1.4.2012.

**1[6. Agreement relating to deposit of title deeds, 2[pawn or pledge]2,-** that is to say, any instrument evidencing an agreement relating to,—

(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 for the repayment of money advanced or to be advanced by way of loan or an existing or future debt;

<sup>9</sup> [ if such loan or debt is repayable on demand from the date of instrument evidencing the agreement	0.1percent on the loan or debt amount subject to a maximum of Rs.50,000/- but not less than Rs.500/- <sup>9</sup>
---	---

<sup>5</sup>[**Explanation.-** For the purpose of clause (1), notwithstanding anything contained <sup>9</sup>[in any law for the time being in force or]<sup>9</sup> 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 whether it is in respect of the security for the first loan or any additional loan or loans taken subsequently, such letter, note, memorandum or writing shall, in the absence of any separate agreement or memorandum of agreement relating to deposit of such title deeds, be deemed to be an instrument evidencing an agreement relating to the deposit of title deeds.]<sup>5</sup>

<sup>10</sup>[(2) the pawn or pledge of moveable property, where such pawn or pledge 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.

if such loan or debt is repayable on demand

One rupee for every one thousand rupees or part thereof on the loan or debt amount, subject to a maximum of rupees fifty thousand.

**Exemption:** Instruments of pawn or pledge of goods or jewels wherein such loan or debt is upto Rupees one lakh”.

Provided that where a fresh instrument of pawn or pledge of movable property is executed for securing repayment of money already advanced by way of loan between the same parties and for the same purpose and for the same amount and the duty in respect of earlier instrument has been paid, then the duty chargeable on such fresh instrument is chargeable as per clause (j) of Article 5 of this Schedule.]<sup>10</sup>

1. Substituted by Act 9 of 1997 w.e.f. 1.4.1997.
2. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.
3. Substituted by Act 8 of 2008 w.e.f. 1.8.2008.
4. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.
5. Inserted by Act 7 of 2006 w.e.f. 1.4.2006.
6. Omitted by Act 6 of 1999 w.e.f. 1.4.1999.
7. Inserted by Act 5 of 1998 w.e.f. 1.4.1998.
8. Inserted by Act 6 of 1999 w.e.f. 1.4.1999.
9. Substituted by Act 8 of 2010 w.e.f.1.4.2010.
10. Substituted by Act 15 of 2012 w.e.f.1.4.2012.

**7. Appointment in execution of a power,-** whether of trustees or of property, movable or immovable, where made by any writing not being a will.

1[One thousand rupees]1

1. Substituted by Act 7 of 2000 w.e.f. 1.4.2000.

**8. Appraisalment or valuation,-** made otherwise than under an order of the Court in the course of a suit,—

- |  |  |
|--|--|
| (a) where the amount does not exceed Rs. 1,000 | The same duty as a Bond (No. 12) for such amount |
| (b) in any other case                          | 1[One hundred rupees]1                           |

**EXEMPTIONS**

(a) Appraisalment or valuation made for the information of one party only, and not being in any manner obligatory between parties either by agreement or operation of law.

(b) Appraisalment of crops for the purpose of ascertaining the amount to be given to a landlord as rent.

1.Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**9. Apprenticeship-deed,-** including every writing relating to the service or tuition of any apprentice, clerk or servant placed with any master to learn any profession, trade or employment 1[Fifty rupees]1

**Exemption.-** Instruments of apprenticeship, by which a person is apprenticed by, or at the charge, of any public charity

1.Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**1[10. Articles of Association of a Company,-** where the company has no share capital or nominal share capital or increased share capital. 2[Five hundred rupees for every rupees ten lakhs or part thereof]2

**Exemption:—**

Articles of any association not formed for profit and registered under section 25 of the Companies Act, 1956.

See also Memorandum of Association of a Company (No. 33)

**Assignment:** See **Conveyance** (No. 20), **Transfer** (No. 52) and **Transfer of lease** (No. 53), as the case may be.

**Authority to Adopt:—See Adoption deed (No. 3)]<sup>1</sup>**

1. Substituted by Act 8 of 1995 w.e.f. 1.4.1995.
2. Substituted by Act 6 of 2001 w.e.f. 1.4.2001

<sup>1</sup>**[11 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 the Court in the course of a suit. The same duty as a conveyance under Article 20(1) on the amount or market value of the property (which is the subject matter of award), whichever is higher.]<sup>1</sup>

1.Substituted by Act 9 of 2009 w.e.f. 1.4.2009.

**1[12.Bond,-** defined by section 2(1)(a), not being otherwise provided for by this Act, or by the Karnataka Court fees and Suits

Valuation Act, 1958;

- (a) Where the amount or value secured does not exceed Rs. 1000
- (b) Where it exceeds Rs. 1000

<sup>2</sup>[fifty paise]<sup>2</sup> for every one hundred rupees or part thereof.

The same duty as under Clause (a) for the first one thousand rupees and for

every five hundred rupees or part thereof in excess of One thousand rupees:<sup>2</sup>[two rupees and fifty paise]<sup>2</sup>

See **Administration Bond** (No. 2) **Bottomary Bond** (No. 13), **Customs Bond** (No. 23) **Indemnity Bond** (No. 29). **Respondentia Bond** (No. 46), **Security Bond** (No. 47)

**EXEMPTION:**

Bond, when executed by any person for the purpose of guaranteeing that the local income derived from private subscriptions to a charitable dispensary or hospital or any other object of public

utility shall not be less than a specified sum per mensem.]<sup>1</sup>

1. Substituted by Act 10 of 1990 w.e.f. 1.4.1990.

2. Substituted by Act 15 of 2012 w.e.f. 1.4.2012.

**13. Bottomry Bond,-** that is to say, any instrument where by the master of a sea-going ship borrows money on the security of the ship to enable him to preserve the ship or prosecute her voyage.

The same duty as Bond (No. 12) for such amount.

**<sup>1</sup>[14 Cancellation of instruments.-**

(a) Cancellation of any instrument previously executed on which stamp duty has been paid as per any article of the <sup>2</sup>[Schedule and not otherwise specifically provided for by the Schedule.]<sup>2</sup>

<sup>3</sup>[same duty as on the original instrument if such cancellation has the effect of reconveyance of property already conveyed by the original instrument:

Provided that, if the original instrument is a conveyance on sale, then the stamp duty payable on such cancellation instrument is, as per article 20(1), on the market value of the property as on the date of execution of such cancellation.]<sup>3</sup>

(b) Cancellation of any instrument executed by or on behalf of 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 the State Government.

one hundred rupees

(c) in any other case

one hundred rupees”

<sup>3</sup>[See also agreement or its records or Memorandum of an Agreement No.(5)(e) (i)]<sup>3</sup> Release (No.45) Revocation of Settlement (No.48-B), Surrender of Lease (No.51) <sup>4</sup>[XXX]<sup>4</sup>

**Explanation.-** If the original instrument has been subjected to determination of the market value under section 45-A of the Act, stamp duty on the cancellation of such instrument shall be the same as determined under section 45-A of the Act. ]<sup>1</sup>

1. Substituted by Act 7 of 2006 w.e.f. 1.4.2006.

2. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.

3. Substituted by Act 8 of 2010 w.e.f.1.4.2010.

4. Omitted by Act 16 of 2011 w.e.f.1.4.2011.

**15. 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 Court or Tribunal or officer of Government or by any other authority under any enactment.

(a) where the purchase money does not exceed Rs. 10

One rupee

(b) where the purchase money exceeds Rs. 10 but does not exceed Rs. 25.

One rupee and fifty paise

(c) in any other case

The same duty as a conveyance (No. 20) for a market value equal to the amount of the purchase money only.

**1[16. Certificate or other document,-** evidencing the right or title of the holder thereof, or any other person either to any share, scrip or stock in or of any incorporated company or other body corporate, or to become proprietor of

One rupee for every one thousand rupees or a part thereof of the value value of the shares, scrip or stock.

share scrip or stock in or of any such company or body. See also letter of Allotment of Shares (No. 31)

**Explanation:**

For the purpose of this Article, the value of the share, scrip, or stock includes the amount of premium, if any]1

1.Substituted by Act 8 of 1995 w.e.f. 1.4.1995

**17.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)

1[Five hundred rupees]1

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**18. 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 let for the specified purposes of the charter, whether it includes a penalty clause or not.

1[Fifty rupees]1

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**1[18A. Clearance list,-** (1) relating to the transactions for the purchase or sale of Government securities submitted to the clearing house of a stock exchange

The sum of duties chargeable under article 5(b) or Article as the case may be in respect of each of the entries in such list on the value of the securities calculated at the making up price or the contract price as the case may be.

(2) relating to the transactions for the purchase or sale of a share, scrip, stock, bond, debenture, debenture stock or other marketable security of a like nature in or of any incorporate company or other body corporate submitted to the clearing house of a stock exchange recognised under the Securities Contracts (Regulation) Act, 1956.

The sum of duties chargeable under Article 5(c)(i) or 37(b), as the case may be in respect of each of the entries in such list on the value of the securites calculated at the making up price or the contract price, as the case may be.

(3) relating to the transactions for the purchase or sale of a share, scrip, stock

The sum of duties chargeable under Article 5(c) (i) or 37(b), as the case

, bond, debenture, debenture stock or other marketable security, of a like nature in or of any incorporated company or body corporate, submitted to the clearance house of a stock Exchange, not re-recognised under the Securities Contract (Regulation) Act, 1956.

may be, in respect of each of the entries in such list on the value of the securities calculated at the making up price or the contract price, as the case may be.]<sup>1</sup>

1. Inserted by Act 8 of 1995 w.e.f. 1.4.1995

**19. Composition-deed,-** that is to say, any instrument executed by a debtor, where by 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 debtors' business, under the supervision of inspectors or under letters of licence, for the benefit of his creditors.

1[One hundred

rupees]<sup>1</sup>

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

<sup>1</sup>[20 **(1) For Conveyance.-** as defined by clause (d) of section 2, not being a transfer charged or exempted under No.52, on the market value of the property which is the subject matter of conveyance <sup>17</sup>[five percent of the value]<sup>17</sup>]

<sup>3</sup>[X X X]<sup>3</sup>

<sup>4</sup>[(2) Where it relates to <sup>12</sup>[instrument]<sup>12</sup> of conveyance executed by a promoter, a land owner, or a developer by whatever name called, pertaining to premises of 'Flat' as defined in clause (a) of section 2 of the Karnataka Ownership Flats (Regulation of the Promotion of Construction, Sale,

the same duty as a conveyance under Article 20(1) <sup>13</sup>[on the market value equal to the market value of the fully constructed flat or apartment or unit, irrespective of the stage of construction, deeming it as fully constructed]<sup>13</sup>

Management and Transfer) Act, 1972 (Karnataka Act 16 of 1973) or 'Apartment' as defined in clause (a) of section 3 of the Karnataka Apartment Ownership Act, 1972 (Karnataka Act 17 of 1973) or transfer of share by or in favour of Co-operative Society or Company pertaining to premises or Unit and the market value of the property which is the subject matter of conveyance.

**Explanation:—**

(a) "Premises" means and includes undivided interest in the land, building and proportionate share in the common areas:

(b) "Unit" includes flat, apartment, tenement, block or any other unit by whatever name called, constructed or under construction in accordance with the sanctioned plan by the authority competent to sanction a building plan under any law for the time being in force:

(c) <sup>14</sup>[xxx]<sup>14</sup>

<sup>6</sup>[(3) Where any instrument of conveyance rates

is effected by the Bangalore Development Authority constituted under Bangalore Development Authority Act, 1976 (Karnataka Act 12 of 1976), the Karnataka Housing Board constituted under the Karnataka Housing Board Act, 1962 (Karnataka Act 10 of 1963) pertaining to premises of Flat or Apartment.

The duty shall be payable at the

specified under clause (2) of Article 20 on the amount or value of consideration as set forth in the instrument:

Provided that in any case where a lease-cum-sale Agreement is executed and is stamped with the advalorem duty required for such agreement under item (da) of Article 5 and in furtherance of such agreement a conveyance is subsequently executed, the duty on such conveyance shall not

exceed rupees fifty or the difference of the duty payable on such conveyance and the duty already collected on the security deposit under item (da) of Article 5, whichever is greater.

<sup>7</sup>[(4) If relating to an order made by the High Court under section 394 of the Companies Act, 1956 in respect of;

(i) Amalgamation of Companies, including a subsidiary amalgamating with parent company

<sup>12</sup><sup>8</sup><sup>15</sup>[two percent]<sup>15</sup><sup>12</sup> on the market value of the property<sup>5</sup> of the transferor company, located within the State of Karnataka and transferred to the transferee company; or

An amount equal to <sup>15</sup>[one percent]<sup>15</sup> of the aggregate value of shares issued or allotted in exchange, or otherwise and in case of a subsidiary company, shares merged (or cancelled) with parent company and in addition, the amount of consideration if any, paid for such amalgamation;  
-which ever is higher.

(ii) Reconstruction or Demerger of a company

<sup>12</sup><sup>7</sup><sup>15</sup>[two percent]<sup>15</sup><sup>12</sup> on the market value of the property<sup>8</sup> of the transferor company, located within the State of Karnataka, and transferred to the resulting company; or

An amount equal to <sup>15</sup>[one percent]<sup>15</sup> of the aggregate value of shares issued or allotted to the resulting company and in addition, the amount of consideration if any, paid for such demerger or reconstruction;  
-whichever is higher.]<sup>7</sup>

<sup>16</sup>**[Explanation:-** The term, "aggregate value of shares" for the purpose of Article 20(4) means, the face value of shares or its market value, whichever is higher.]<sup>16</sup>

<sup>9</sup>[Exemption:- Amalgamation of sick companies with others, under the orders of Board of Industrial Finance and Reconstruction (BIFR)]<sup>9</sup>

<sup>10</sup>["(5) Conveyance relating to industrial machinery whether treated as moveable or immoveable property Five percent of the market value]<sup>10</sup>

(6) If relating to assignment of receivables by the originator to the special purpose vehicle (SPV), or by whatever name they are called in the process of securitisation One rupee for every one thousand rupees or part thereof subject to a maximum of rupees one lakh.]<sup>6</sup>

<sup>11</sup>[under securitisation and reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002]<sup>11</sup>

<sup>13</sup>[(7) conveyance relating to Transferable Development Rights 1% on the market value of the Transferable Development Rights equal to the market value of the corresponding portion of the property leading to such Transferable Development Rights, which is the subject matter of conveyance; or consideration for such conveyance; whichever is higher.]<sup>13</sup>

1. Substituted by Act 7 of 2006 w.e.f.1.4.2006.
2. Substituted by Act 9 of 2009 w.e.f. 1.4.2009.
3. Deemed to have been omitted by Act 20 of 2009 w.e.f.04.06.2009.
4. Inserted by Act 19 of 1994 w.e.f. 1.4.1994.
5. Inserted by Act 8 of 1995 w.e.f. 1.4.1995 and substituted by Act 6 of 1999 w.e.f. 1.4.1999.
6. Deemed to have been substituted by Act 20 of 2009 w.e.f.04.06.2009.
7. Substituted by Act 8 of 2008 w.e.f. 1.8.2008.
8. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.
9. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.
10. Substituted by Act 8 of 2008 w.e.f. 1.8.2008.
11. Inserted by Act 9 of 2009 w.e.f.1.4.2009.
12. Substituted by Act 8 of 2010 w.e.f. 1.4.2010.
13. Inserted by Act 8 of 2010 w.e.f. 1.4.2010.
14. Omitted by Act 8 of 2010 w.e.f.1.4.2010.
15. Substituted by Act 16 of 2011 w.e.f.1.4.2011.

16. Inserted by Act 16 of 2011 w.e.f.1.4.2011.

17. Substituted by Act 15 of 2012 w.e.f. 1.4.2012.

**1[21. Copy or extract,-** certified to be true copy or extract by or by order of any public officer and not chargeable under the law for the time being in force relating to the Court fees:

(i) if the original was not chargeable with duty, or if the duty with which it was chargeable does not exceed five rupees.

Five rupees.

(ii) in any other case

Ten rupees

**EXEMPTION:**

(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.

(b) Copy of or extract from any register relating to the births, baptisms, namings, dedications, marriages, divorces, deaths or burials.]<sup>1</sup>

1. Substituted by Act 10 of 1990 w.e.f. 1.4.1990

**22. Counterpart or duplicate**—of any instruments, chargeable with duty and in respect of which the proper duty has been paid

(a) if the duty with which the original instruments is chargeable does not exceed <sup>2</sup>[five hundred rupees]<sup>2</sup>

The same duty as payable on the original.

(b) in any other case

<sup>1</sup>[<sup>2</sup>[five hundred rupees]<sup>2</sup>]<sup>1</sup>

**EXEMPTION**

Counterpart of any lease granted to a cultivator when such lease is exempted from duty.

1.Substituted by Act 8 of 2003 w.e.f. 1.4.2003.

2.Substituted by Act 9 of 2009 w.e.f.1.4.2009.

**23. <sup>2</sup>[customs bond or excise bond]<sup>2</sup>**

(a) where the amount does not exceed Rs. 1,000.

The same duty as a Bond (No. 12) for such amount

(b) in any other case

1[One hundred rupees]1

Declaration of any Trust, see Trust (No. 54).

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

2. Substituted by Act 15 of 2012 w.e.f. 1.4.2012

**24. Delivery-order** in respect of Goods, that is to say, any instrument entitling any person, therein named, or his assignees or the holder thereof to the delivery of any goods lying in any dock or port, 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,

1[x x x]1

2[(i) where the value of the goods do not exceed Rs. 1000

Rupee one

(ii) where the value of the goods exceeds Rs. 1,000, thereof

Rupees five for every rupees one thousand or part thereof]2

**Deposit of title deeds**

See Agreement relating to Deposit of Title-deeds, Pawn or pledge (No. 6).

**Dissolution of partnership,-** See partnership (No. 40)

1. Omitted by Act 7 of 2000 w.e.f. 1.4.2000

2. Substituted by Act 7 of 2000 w.e.f. 1.4.2000

**25. Divorce,-**instrument of that is to say, any instrument by which any person

effects the dissolution of his marriage.  
hundred rupees]1

1[One

**Dower**,—Instrument of —See settle-  
ment (No. 48)

**Duplicate**,—See Counterpart (No. 22)

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**26. Exchange of property**,—Instrum-  
ent of Extract—See Copy (No. 21).

The same duty as a conveyance (No. 20) for a market value equal to the Market value of the property of greatest value which is the subject matter of exchange

**27. Further charge**,—Instrument of—  
that is to say, any instrument imposing  
a further charge on mortgaged property.

(a) when the original mortgage is  
one of the description referred to in clause (a) of article No. 34 (that is, with  
possession).

The same duty as a conveyance (No. 20) for a market value equal to the amount of the further charge secured by such instrument.

(b) when such mortgage is one  
of the description referred to in clause (b)  
of article No. 34 (that is, without  
possession)

(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.

The same duty as a conveyance (No. 20) for a market value equal in the total 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.

1[(ii) if possession is not given and  
not being a hypothecation.

2[Fifty paise for every one hundred  
rupees for the amount of the further  
charge secured by such  
instrument,]2

(iii) for hypothecation

Same duty as sub-clause (d) of Article No. 34 for the amount of the further charge secured by such instrument.]<sup>1</sup>

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999

2. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

<sup>1</sup>[**28. Gift-instrument of,-** not being a settlement (No. 48) or will or transfer (No.52)

(a) Where the donee is not a family member of the doner.

The same duty as a Conveyance (Article No. 20) for a market value equal to the market value of the property which is the subject matter of gift:

Provided that where an instrument of gift contains any provision for the revocation of the gift, the value of the property which is the subject matter of the gift, shall for the purposes of duty be determined as if no such provision were contained in the instrument.

<sup>2</sup>[(b) Where the donee is a member of the family of the donor

Rupees One thousand

**Explanation:** Family in relation to the donor for this purpose means <sup>4</sup>[father, mother,]<sup>4</sup> husband, wife, son, daughter, <sup>3</sup>[daughter-in-law, brothers, sisters]<sup>3</sup> and grand children]<sup>2</sup><sup>1</sup>

1. Substituted by Act 6 of 1999 w.e.f 1.4.1999

2. Substituted by Act 6 of 2001 w.e.f. 1.4.2001

3. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.

4. Inserted by Act 9 of 2009 w.e.f.1.4.2009.

## 29. Indemnity Bond

The same duty as a Security Bond (No. 47) for the same amount.

**Inspectorship Deed**-See Composition Deed (No. 19)

**30.** <sup>1</sup>[(1) Lease of immoveable property including an under-lease or sub-lease and any agreement to let or sub-let where by such lease, the rent is fixed, or fine or premium or money advanced or security deposit (as the case may be) is paid or delivered,-

<sup>7</sup>[(i)where the lease purports to be for a term not exceeding one year in case of residential property

fifty paise for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced, subject to a maximum of rupees five hundred

(ii)where the lease purports to be for a term not exceeding one year in case of commercial or industrial property

fifty paise for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,

(iii)where the lease purports to be for a term exceeding one year and not exceeding ten years

one rupee for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,

(iv)where the lease purports to be for a term exceeding ten years and not exceeding twenty years

two rupees for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,

(v)where the lease purports to be for a term exceeding twenty years and not exceeding thirty years

three rupees for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,

(vi)where the lease purports to be for a term exceeding thirty years or in perpetuity or does not purport to be for any definite term

the same duty as conveyance under article 20(1) on the total amount or value of, average annual rent, fine, premium and money advanced; or on the market value of the property; whichever is higher.]<sup>7</sup>

Provided that in any case when an agreement to lease is stamped with the ad valorem stamp required for a lease and a

lease in pursuance of such agreement is subsequently executed, the duty on such lease shall not exceed rupees fifty:

Provided further that the duty in respect of an instrument of lease executed in favour of the wife, husband, father, mother, son, daughter, brother or sister in relation to the person shall be rupees one thousand.

**Explanation.-** The term “money advanced” in this Article means and includes the security deposit whether refundable or adjustable towards the rent.]<sup>1</sup>

8[(2) **lease of moveable property** including an under lease or sublease and any agreement to let or sub let,—

(a) where by such lease the rent is fixed and no premium is paid or delivered,—

(i) where the lease purports to be for a term not exceeding ten years

(ii) where the lease purports to be for a term exceeding ten years

(b) where the lease is granted for a fine or premium or for money advanced and where no rent is reserved

(c) where the lease is granted for a fine or premium or for money advanced in addition to rent reserved.

One rupee for every hundred rupees or part thereof on the ten years average annual rent reserved, subject to a maximum of rupees two lakhs.

One rupee and fifty paise for every hundred rupees or part thereof on the average annual rent reserved, subject to a maximum of rupees two lakhs.

One rupee and fifty paise for every hundred or part thereof on the amount of such fine or premium or advance as setforth in the lease, subject to a maximum of rupees two lakhs.

One rupee and fifty paise for every hundred rupees or part thereof on the amount of such fine or premium or advance as setforth in the lease in addition to the duty which would have been payable on such lease, if no fine

or premium or advance had been paid or delivered, subject to a maximum of rupees two lakhs:

9[Provided that in respect of lease of industrial machinery the maximum duty chargeable shall be rupees ten thousand.]9

<sup>10</sup>[Provided further that]2 in any case when an agreement to lease is stamped with advalorem stamp required for a lease and a lease in pursuance of such agreement is subsequently executed, the duty on such lease shall not exceed rupees fifteen.]<sup>10,8</sup>

- 1.Substituted by Act 9 of 2009 w.e.f.1.4.2009
- 2.Inserted by Act 8 of 2003 w.e.f. 1.4.2003
- 3.Omitted by Act 8 of 2008 w.e.f. 1.8.2008
- 4.Inserted by Act 9 of 1997 w.e.f. 1.4.1997
- 5.Inserted by Act 5 of 1998 w.e.f. 1.4.1998
- 6.Substituted by Act 5 of 1998 w.e.f. 1.4.1998
7. Substituted by Act 8 of 2010 w.e.f. 1.4.2010

**31. 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.

1[One rupee]1

See also certificate or other Document (No. 16) Letter of Guarantee-

See Agreement (No. 5)

- 1.Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**32. letter of licence-**that is to say, any agreement between a debtor and his creditors that the latter shall for a specified time, suspend their claims and allow the debtor to carry on business at his own discretion.

1[One hundred rupees]1

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

<sup>1</sup>[32-A **Licence of immovable or moveable property.-** That is to say licence granted by owner or authority for rent or

fee or by whatever name it is called and money advanced or security deposit,-

- |   |  |
|---|--|
| (i)where the license purports to be for a term not exceeding one year in case of residential property               | fifty paise for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced, subject to a maximum of rupees five hundred |
| (ii)where the license purports to be for a term not exceeding one year in case of commercial or industrial property | fifty paise for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,   |
| (iii)where the license purports to be for a term exceeding one year and not exceeding ten years                     | one rupee for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,   |
| (iv)where the license purports to be for a term exceeding ten years and not exceeding twenty years                  | two rupees for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced,  |
| (v)where the license purports to be for a term exceeding twenty years and not exceeding thirty years                | three rupees for every one hundred rupees or part thereof on the total amount or value of; the average annual rent, premium, fine and money advanced.] <sup>1</sup>                              |

1. Substituted by Act 8 of 2010 w.e.f. 1.4.2010

<sup>1</sup>[33 Memorandum of Association of a company,—

(a) if accompanied by Articles of Association under section 26 of the Companies Act, 1956 (Central Act 1 of 1956)

2[One thousand rupees]2

(b) if not so accompanied

The same duty as under Article (No. 10) according to the share capital of the company.

**Exemption:—**

Memorandum of any Association not formed for profit and registered under section 25 of the Companies Act, 1956, (Central Act 1 of 1956)]<sup>1</sup>

1. Substituted by Act 8 of 1995 w.e.f. 1.4.1995.

2. Substituted by Act 8 fo 2003 w.e.f. 1.4.2003.

**34. Mortgage deed,-** not being an agreement relating to 1[Deposit of title deeds, 2[pawn or pledge]<sup>2</sup> (No. 6)]<sup>1</sup>, Bottomry Bond (No. 13), Mortgage of a Crop (No. 35), Respondentia Bond (No. 46), or Security Bond (No. 47)

(a) When possession of the property or any part of the property comprised in such deed is given by the mortgagor or agreed to be given.

The same duty as conveyance (No. 20) for a market value equal to the amount secured by such deed.

(b) When possession is not given or agreed to be given as aforesaid 1[and not being a hypothecation]<sup>1</sup>

<sup>3</sup>[Fifty paise for every hundred rupees or part thereof for the amount secured by such deed]<sup>3</sup>

**EXPLANATION—**A mortgagor who gives to the mortgagee a power of attorney to collect rents or a lease of the property mortgaged or part thereof is deemed to give possession thereof within the meaning of this article.

<sup>2</sup>[(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.

(i) for every sum secured not exceeding Rs. 1,000.

<sup>3</sup>[Ten rupees]<sup>3</sup>

(ii) for every Rs. 1,000 or part thereof, secured in excess of Rs.1000.

<sup>3</sup>[Ten rupees plus one rupee for every rupees one thousand or part thereof in excess of rupees one thousand.]<sup>3</sup>

(d) For hypothecation of moveable property

Ten rupees for every ten thousand rupees or part thereof advanced, subject to a maximum of rupees ten thousand.]<sup>2</sup>

1. Substituted by Act 8 of 1995 w.e.f. 1.4.1995.
2. Substituted by Act 6 of 1999 w.e.f. 1.4.1999.
3. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

#### EXEMPTION

(1) Instruments executed by persons taking advances under the Karnataka Land Improvement Loans Act, 1963 (Karnataka Act 16 of 1963), the Karnataka Agriculturists Loans Act, 1963 (Karnataka Act 17 of 1963) or by their sureties as security for the repayment of such advances,

(2) Letter of hypothecation accompanying a bill of exchange.

**35. 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,—

(a) when the loan is repayable not more than three months from the date of the instrument,—

for every sum secured not exceeding Rs. 200

Fifty paise

and for every Rs. 200 or part thereof secured in excess of Rs. 200

Fifty paise

(b) when the loan is repayable more than three months but not more than eighteen months from the date of the instrument

for every sum secured not exceeding Rs. 100

1[fifty paise]1

and for every Rs. 100 or part thereof secured in excess of Rs. 100.

1[fifty paise]1

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

**36. Notarial act,-** that is to say, any instrument, endorsement, note, attention, certificate or entry not being a protest (No. 42) made or signed by a Notary Public in the execution of the duties of his office or by any other person lawfully acting as a Notary Public See also Protest of Bill or Note (No. 42).

<sup>1</sup>[XXX]<sup>1</sup>

1. Omitted by Act 16 of 2011 w.e.f. 1.4.2011.

**<sup>1</sup>[37. Note or Memorandum or record of transactions (Electronic or otherwise).-**

Sent by a broker or agent to his principal intimating the purchase or sale on account of such principal or effected by a trading member(agent) through stock exchange or association or otherwise on behalf of the client(principal) resident in the State of Karnataka or otherwise

(a) Of any <sup>2</sup>[Goods or commodities or currencies]<sup>2</sup>

One rupee for every ten thousand or part thereof on the value of <sup>2</sup>[Goods or commodities or currencies]<sup>2</sup>, subject to a maximum of fifty rupees

(b) Of any share, scrip, stock, bond, debenture, debenture stock or other marketable security of a like nature, not being a government security

One rupee for every ten thousand or part thereof on the value of such security at the time of its purchase or sale, as the case may be, subject to a maximum of fifty rupees

(c) of a Government Security

one rupee for every ten thousand or part thereof of the value of the security, at the time of its purchase or sale, as the case may be, subject to a maximum of one thousand rupees

(d) Of securities other than those falling under clause (b) above, in respect of either delivery or non delivery based (jobbing and trading) transactions

one rupee for every ten thousand or part thereof subject to a maximum of fifty rupees

(e) Of futures and options trading, of securities other than those falling under clause (b) above,;

one rupee for every ten thousand or part thereof subject to a maximum of fifty rupees

(f) Of forward contracts of commodities: one rupee for every ten thousand or part thereof subject to a maximum of fifty rupees.]<sup>1</sup>

**Explanation:** For the purposes of clauses (b), (d) and (e) , “securities” means, the securities as defined in clause (h) of section (2) of the Securities Contract (Regulation) Act, 1956.

**Exemptions:**

(1) note or Memorandum sent by a broker or agent to his principal intimating the purchase or sale on account of such principal or a Government security or a share, scrip, stock, bond, debenture, debenture stock or other marketable security of like nature in or of any incorporated company or other body corporate, an entry relating to which is required to be made in clearance lists described in clauses (1), (2) and (3) of Article 18-A.

(2) note or Memorandum sent by a broker or agent to his principal in any of the above cases, when the amount stated in the instrument is less than rupees one hundred.

1. Substituted by Act 8 of 2010 w.e.f.1.4.2010.

2. Substituted by Act 15 of 2012 w.e.f. 1.4.2012.

**38. Note of Protest,-** by the Master of a ship

Two rupees

See also Protest by the Master of a ship (No. 43)

**39. 1[Partition-Instrument,-** of, as defined by clause (K) of sub-section (1) of section 2.

(a) where the property involved in the partition is converted for non-agric-ultural

purpose or is meant for non-agricultural use.

(1) if the property is situated in the jurisdiction of Municipal Corporation or Urban Development Authorities or Municipal Councils or Town Panchayats.

Rupees one thousand for each share

(2) If the property is situated in the areas other than those mentioned in sub-clause (1) above .

Rupees five hundred for each share

(b) where the property involved in the partition is agricultural land

Rupees two hundred fifty for each share

(c) where the property involved in the partition is moveable or money

Rupees two hundred and fifty for each share

(d) where the property involved in the partition belongs to any of the combinations of categories mentioned in sub-clause (a), (b) and (c) above.

Maximum of the duties described in sub-clause (a), (b) or (c) above for each share.]1

Provided always 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 1[fifty rupees]1;

2[(b) x x x]2

(c) where a final order for effecting 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 and an instrument of partition in pursuance of

such order or award is subsequently executed the duty on such instrument shall not exceed 1[fifty rupees]1

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999

2. Omitted by Act 6 of 1999 w.e.f. 1.4.1999.

**1[40 Partnership:—**

A. Instrument of:—

(a) Where the capital of the partnership does not exceed <sup>3</sup>[rupees fifty thousand]<sup>3</sup>

<sup>3</sup>[five hundred rupees]<sup>3</sup>

(b) In any other case

<sup>3</sup>[2[two thousand rupees]2]<sup>3</sup>

B. Reconstitution:—

(a) Where immovable property contributed as share by a partner or partners remains with the firm at the time of outgoing in whatever manner by such partner or partners on reconstitution of such partnership firm.

The same duty as conveyance (No. 20) on the market value of the immovable property remaining with the firm.

(b) In any other case

<sup>3</sup>[one thousand rupees]<sup>3</sup>

C. Dissolution of:—

(a) Where the property which belonged to one partner or partners when the partnership commenced is distributed or allotted or given to another partner or partners.

The same duty as conveyance (No. 20) for a market value equal to the market value of the property distributed or allotted or given to partner under the instrument of dissolution, in addition to the duty which would have been chargeable on such dissolution if such property had not been distributed or allotted or given.

(b) In any other case

<sup>3</sup>[one thousand rupees.]<sup>1</sup><sup>3</sup>

1. Substituted by Act 8 of 1995 w.e.f. 1.4.1995

2. Substituted by Act 8 of 2003 w.e.f. 1.4.2003

3. Substituted by Act 15 of 2012 w.e.f. 1.4.2012

**41. Powers of attorney,—**(as defined by section 2(1)(P) 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

<sup>1</sup>[One hundred rupees]<sup>1</sup>

(b) when authorising one person or more to act in a single transaction other than the case mentioned in

Clause (a)

<sup>1</sup>[One hundred rupees]<sup>1</sup>

(c) when authorising not more than five persons to act jointly and severally in more than one transaction or generally

<sup>2</sup>[One hundred rupees]<sup>2</sup>

(d) when authorising more than five but not more than ten persons to act Jointly and severally in more than one transaction or generally;

<sup>2</sup>[Two hundred rupees]<sup>2</sup>

<sup>3</sup>[(e) when given for consideration or when coupled with interest and authorizing the attorney to sell any immovable property;

The same duty as a Conveyance [under Article 20(1)] on consideration or on market value of the property (which is the subject matter of such power of attorney), whichever is higher.]<sup>3</sup>

<sup>4</sup>[Provided that the duty paid on such power of attorney is adjustable towards the duty payable on agreement for sale under Article 5(e) or instrument of sale or transfer, as the case may be, executed between the same parties and in respect of the same property.]<sup>4</sup>

<sup>8</sup>[(ea) XXX]<sup>8</sup>

<sup>11</sup>[(ea) If relating to construction or development of an immovable property , including a multi-unit house or building or

One Rupee for every one hundred rupees or part thereof, on the market value of the property which is the subject matter of

unit of apartment or flat or portion of a multi-storied building by a developer or builder or promoter or by whatever name called having a stipulation that, for such construction or development, the property shall be held jointly by the developer or builder or promoter or by whatever name called and the owner or lessee, as the case may be, of such property, or that it shall be sold jointly by them or that a part of it shall be held jointly by them and the remaining part thereof shall be sold jointly by them.

development in the power of attorney or on consideration, whichever is higher subject to a maximum of rupees fifteen lakhs.]<sup>11</sup>

<sup>5</sup>[(eb) When given to a person other than the father, mother, wife or husband, sons, daughters, brothers, sisters in relation to the executant authorising such person to sell immoveable property situated in Karnataka State

<sup>6</sup>the same duty as a conveyance under Article 20(1)]<sup>6</sup> on the market value of the property which is the subject matter of the power of attorney

<sup>4</sup>[Provided that the duty paid on such power of attorney is adjustable towards the duty payable on agreement for sale under article 5(e) or on instrument of sale or transfer, as the case may be, executed between the same parties in respect of the same property.]<sup>4</sup><sup>5</sup>

<sup>9</sup>[(f) When executed by a principal or client for the sole purpose of authorizing the agent or broker to carry out all lawful acts and deeds relating to his / her trading operations including sale / purchase of marketable securities, transfer of securities towards -stock exchange, receiving / releasing funds and securities from / to other parties on behalf of the principal or client.

rupees fifty

(g) When executed by a principal or client for the sole purpose of

Rupees fifty]<sup>9</sup>

authorizing the depository participant to carry out all lawful acts and deeds relating to his/her demat account as per the bye-laws of the depositories / regulations governing such operations.

<sup>10</sup>[(h)]<sup>10</sup> in any other case

<sup>7</sup>[two hundred rupees]<sup>7</sup>

**N.B.** The term "Registration" includes every operation incidental to registration under the Registration Act, 1908. (Central Act 16 of 1908).

**Explanation**—'For the purposes of this article more persons than one when belonging to the same firm shall be deemed to be one person'

1. Substituted by Act 7 of 2000 w.e.f. 1.4.2000.
2. Substituted by Act 10 of 1990 w.e.f. 1.4.1990.
3. Substituted by Act 9 of 2009 w.e.f.1.4.2009.
4. Substituted by Act 16 of 2011 w.e.f. 1.4.2011.
5. Substituted by Act 8 of 1995 w.e.f. 1.4.1995 and substituted by Act 6 of 1999 w.e.f. 1.4.1999.
6. Deemed to have been substituted by Act 20 of 2009 w.e.f. 4.6.2009.
7. Substituted by Act 8 of 2003 w.e.f. 1.4.2003 and substituted by Act 9 of 2009 w.e.f..1.4.2009.
8. Omitted by Act 16 of 2011 w.e.f.1.4.2011.
9. Inserted by Act 16 of 2011 w.e.f.1.4.2011.
10. Renumbered by Act 16 of 2011 w.e.r.1.4.2011.
11. Inserted by Act 15 of 2012 w.e.f. 1.4.2012.

**42. protest of bill or note,**—that is to say, any declaration in writing made by a Notary Public or other person lawfully acting as such, attesting the dishonour of a bill of exchange or promissory note. <sup>1</sup>[Ten rupees]<sup>1</sup>

1. Substituted by Act 10 of 1990 w.e.f. 1.4.1990.

**43. Protest by the master of a ship,**— that is to say, any declaration of the particulars of her voyage drawn up 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.

Five rupees

See also Note of Protest by the Master of a ship (No. 38)

**44. Reconveyance of mortgaged property,—**

(a) the consideration for which the property was mortgaged does not exceed Rs. 1,000.

The same duty as a conveyance (No. 20) for a market value equal to the amount of such consideration as set forth in the re-conveyance.

<sup>1</sup>[(b) in any other case

One-hundred rupees]<sup>1</sup>

1. Substituted by Act 9 of 1987 w.e.f. 1.4.1987.

**45. Release,** that is to say, any instrument (not being such a release as is provided for by section 24,) whereby a person renounces a claim upon another person or against any specified property:

<sup>6</sup>[(a) where the release is not between the family members

The same duty as a Conveyance [under Article No.20(1)] on the market value of the property or on the amount or value of claim or part of claim renounced, as the case may be (which is the subject matter of release) or consideration for such release, whichever is higher.]<sup>6</sup>

<sup>4</sup>[(b) Where the release is between the family members

Rupees one thousand

**Explanation.-** family in relation to a person for the purpose of clause (b) means husband, wife, son, daughter,

father, mother, brother, 6[wife / children of  
predeceased brother]6 sister, 6[husband/ children  
of predeceased sister]6 wife of a predeceased son and  
children of a predeceased son or predeceased  
daughter.""]<sup>4</sup><sup>2</sup>

<sup>5</sup>[(c)Release of mortgage rights  
or lien

Same duty as bond (No. 12) subject  
a maximum of rupees one hundred]<sup>5</sup>

1. Substituted by Act 10 of 1990 w.e.f. 1.4.1990.
2. Substituted by Act 6 of 1990 w.e.f. 1.4.1999.
3. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.
4. Substituted by Act 6 of 2001 w.e.f. 1.4.2001.
5. Inserted by Act 8 of 1995 w.e.f. 1.4.1995.
6. Substituted by Act 9 of 2009 w.e.f. 1.4.2009.

**46. Respondentia bond,-** that is to  
say any instrument securing 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.

The same duty as a Bond (No.12)  
for the amount of the loan secured.

Revocation of any Trust or settlement

See settlement (No. 48) Trust (No. 54)

**47. Security bond or 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 execution by a surety to  
secure the due performance of a contract.

(a) when the amount secured  
does not exceed Rs. 1000

The same duty as a Bond (No.12)  
for the amount secured.

(b) in any other case

1[One hundred rupees]1

#### **EXEMPTION**

Bond or other instrument, when  
executed,-

(a) by any person for the purpose of  
guaranteeing that the local income  
derived from private subscriptions to a

charitable dispensary or hospital or any other object of public utility shall not be less than a specified sum per mensem,

(b) under No. 3A of the rules made under section 70 of the Bombay Irrigation Act, 1879,

(c) by persons taking advances under the Karnataka Land Improvement Loan Act, 1963 (Karnataka Act 16 of 1963), the Karnataka Agriculturists Loans Act, 1963 (Karnataka Act 17 of 1963) or by their sureties as security for the repayment of such advances.

(d) by officers of 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.

1. Substituted by Act 10 of 1990 w.e.f. 1.4.1990.

#### 48. Settlement,-

<sup>1</sup>[A. Instrument of (including a deed of dower)

(i) Where the disposition is not for the purpose of distributing the property of the settlor among his family

The same duty as a conveyance (Article No. 20), for a market value equal to the market value of the property, which is the subject matter of settlement:

Provided that, where an agreement to settle is stamped with the stamp duty required for an instrument of settlement and an instrument of settlement in pursuance of such agreement is subsequently executed, the duty on such instrument shall not exceed fifty rupees.

<sup>2</sup>[(ii) Where the disposition is for the

purpose of distributing the property of the settler among the members of his family:-

**Explanation.-** For the purpose of this sub-clause family in relation to settler means <sup>5</sup>[father, mother]<sup>5</sup> husband, wife, son, daughter, <sup>3</sup>[daughter -in- law, brothers, sisters]<sup>3</sup> and grand children.

Rupees one thousand]<sup>2</sup>

**Exemption.-** Deed of dower executed on the occasion of a marriage between muhammadans.]<sup>1</sup>

<sup>4</sup>[B. Revocation of

The same duty as a conveyance (No. 20) for a sum equal to the amount or value of the property concerned, in the Instrument of revocation, but not exceeding two hundred rupees]<sup>4</sup>

1. Substituted by Act 6 of 1999 w.e.f. 1.4.1999
2. Substituted by Act 6 of 2001 w.e.f. 1.4.2001.
3. Substituted by Act 7 of 2007 w.e.f. 1.4.2007.
4. Substituted by Act 9 of 1987 w.e.f. 1.4.1987.
5. Inserted by Act 9 of 2009 w.e.f.1.4.2009.

**49. Share warrants—**To bearer issued under the Companies Act, 1956 (Central Act I of 1956)

One and a half times the duty payable on a conveyance (No. 20) for a market value equal to the nominal amount of the shares specified in the warrant.

#### EXEMPTIONS

Share warrant when issued by a company in pursuance of section 114 of the Companies Act, 1956, to have effect only upon payment as composition for that duty to the Deputy Commissioner of Stamp-revenue, of,—

(a) one and a 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.

**50. Shipping order,-** for or relating to  
the conveyance of goods on board of  
any vessel.

1[Two rupees]1

1. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.

**51. Surrender of lease**

(a) when the duty with which the  
lease is chargeable does not exceed  
twenty-two rupees and fifty paise

The duty with which such lease is  
chargeable.

(b) In any other case

1[One hundred rupees.]1

**EXEMPTION**

Surrender of lease, when such lease is  
exempted from duty.

1. Substituted by Act 10 of 1990 w.e.f.  
1.4.1990.

**52. Transfer.—**(Whether with or  
without consideration),

1[(a) of debentures, being marketable  
securities, whether the debenture is,  
liable to duty or not

Fifty paise for every rupees one  
hundred or part thereof subject to  
a maximum of one thousand rupees  
for a consideration equal to the face  
value of the debenture.]1

(b) of any interest secured by a  
bond, mortgage-deed or policy of  
insurance,—

(i) if the duty on such bond,  
mortgage-deed or policy does not exce-  
ded twenty-two rupees and fifty paise

The duty with which such bond,  
mortgage deed; or policy of insurance  
is chargeable.

(ii) in any other case

2[One hundred rupees]2

(c) of any property under section 25  
of the Administrator Generals Act, 1963

2[One hundred rupees]2

<sup>3</sup>[(d) of any trust property from one trust to  
another trust or from Trust to trustee or  
beneficiary, or from trustee to trust or

The same duty as a conveyance  
[under Article 20 (1)] on the market  
value of the property (which is the

trustee or beneficiary, as the case may be. subject matter of such transfer) or consideration for such transfer, whichever is higher.

Provided that for the public religious and charitable trusts, the duty for such transfer shall be rupees one thousand.]<sup>3</sup>

### EXEMPTIONS

Transfers by endorsement

(a) of a bill of exchange, cheque or promissory note

(b) of a bill of lading, delivery order, warrant for goods or other mercantile document of title to goods.

(c) of a policy of insurance

(d) of securities of the Central Government or of State Government

(See also section 8)

1. Substituted by Act 6 of 1990 w.e.f. 1.4.1990.

2. Substituted by Act 10 of 1990 w.e.f.1.4.1990.

3. Substituted by Act 16 of 2011 w.e.f.1.4.2011.

<sup>1</sup>[53 **Transfer of lease.**- by way of assignment and not by way of under lease.

(a) Where the remaining period of lease does not exceed 30 years

(b) Where the remaining period of lease exceeds 30 years.

The same duty as conveyance [No.20(1)] for a market value equal to the amount of consideration.

The same duty as conveyance [No.20(1)] on the market value of the property which is the subject matter of transfer.]<sup>1</sup>

1. Substituted by Act 7 of 2006 w.e.f. 1.4.2006.

### 1[53A. Transfer of Licence

1. Inserted by Act 8 of 1995 w.e.f. 1.4.1995.

Same duty as conveyance (No. 20)]1

<sup>1</sup>[54 Trust,-

Declaration of or concerning, any property when made by any writing not being a Will.-

(i) When the Trust is made exclusively for public religious and charitable purposes. Rupees One Thousand

(ii) When the Trust is made for the management & custody of properties, for the purpose of distributing the benefits/profits of the property to the beneficiaries and where there is no transfer/ disposition of property, in any way. Rupees One Thousand

(iii)When the trust made involves the transfer/ disposition of property in any way; The same duty as conveyance [under Article No. 20(1)] on the amount and the market value of the property, which is the subject matter of such transfer / disposition.]<sup>1</sup>

1. Substituted by Act 16 of 2011 w.e.f. 1.4.2011.

**55. 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 or certified by or on behalf of the person in whose custody such goods maybe.

2[Ten rupees]2.

<sup>1</sup>[Note x x x]1

1. Omitted by Act 9 of 1987 w.e.f. 1.4.1987.

1957: KAR. ACT 34]

*Stamp*

599

2. Substituted by Act 8 of 2003 w.e.f. 1.4.2003.

**NOTIFICATIONS**

**I**

**Bangalore, 12th May 1958 (Vishaka 22nd, Saka Era 1880).**

**[No. RD 6 (A) SPS 58]**

In exercise of the powers conferred by sub-section (3) of Section 1 of the Mysore Stamp Act, 1957 (Mysore Act No. 34 of 1957), the Government of Mysore hereby appoints the 1st day of June 1958 as the date on which the said Act shall come into force.

By Order and in the name of the Governor of Mysore,

(K. BALASUBRAMANYAM)

*Secretary to Government, Revenue Department.*

(Published in the Karnataka Gazette, PART IV—2-C, dated 22.5.1958.)

**II**

**Bangalore dated 27th October 1966, [No. RD 184 EST 66].**

**S.O. 5614.**—In exercise of the powers conferred by sub-section (2) of Section 1 of the Mysore Stamp (Amendment) Act, 1966 (Mysore Act 17 of 1966), the Government of Mysore hereby appoints the 15th day of November 1966 as the date on which the said Act shall come into force.

By Order and in the name of the Governor of Mysore,

(K. C. PUTTANARASIAH)

*Under Secretary.*

**III**

**Bangalore, dated 30th November, 1971.[ No. RD 116 FST 71]**

**S.O. 2000.**—In exercise of the powers conferred by sub-section (2) of section 1 of the Mysore Stamp (Amendment) Act, 1971 (President's Act No. 17 of 1971), the Government of Mysore hereby appoints the first day of December 1971 as the date on which the said Act shall come into force.

By Order and in the name of the President of India,

(K. BALASUBRAMANYAM)

*Commissioner for Land Reforms and Ex-Officio  
Secretary to Government, Revenue Department.*

**IV****Bangalore, dated 11th April, 1991.[No. RD 90 ESR 91]**

In exercise of the powers conferred by clause (b) of sub-section (2) of section 1 of the Karnataka Stamp (Amendment) Act, 1975 (Karnataka Act 12 of 1975), the Government of Karnataka hereby specify that section 5 of the said Act shall come into force on the 1st April 1991 in other areas of the State except the areas to which the said section has already brought into force.

By Order in the name of the Governor of Karnataka,  
(PRADEEP S. RAJANAL)  
*Under Secretary to Government, Revenue  
Department.*

**V****Bangalore, dated 24th February, 2009.[No. RD 108 MUNOMU 2008]**

In exercise of the powers conferred by sub section (2) of section 1 of the Karnataka Stamp (Second Amendment) Act, 2007 (Karnataka Act No. 1 of 2008) the Government of Karnataka hereby appoints the 1<sup>st</sup> day of April 2003 as the date on which the said Act shall be deemed to have come into force

By Order in the name of the Governor of Karnataka,  
(T.K. RAMACHANDRA)  
*Under Secretary to Government, Revenue  
Department  
(Stamps and Registration).*

\* \* \* \*