

From

The Board of Revenue, Punjab.

To

The Sub-Registrar,
Sialkot.Subject:- SULTANI BAINAMA ADVICE.Memorandum.

Kindly refer to your memo No. RC/74, dated 5-11-2011 on the subject cited above.

Section 27-A of the Stamp Act, 1899 came into force on 14-6-1986 which is applicable on the prospective transactions of properties falling in the urban area, for charging the stamp duty under Article 23(b) of Schedule-I to the Stamp Act, 1899 according to the Valuation Table notified by the District Collector.

So far the chargeability of Stamp duty on the transactions of the specific performance of contract, the case was referred to the Law Department by the Board of Revenue, Punjab for advice in the matter. Law Department advised that in such cases value may be assessed on the basis of Valuation Table and not on the value mentioned in the decree/suit or agreed between the parties.

Aggrieved from this advice different Writ Petitions were filed in the Lahore High Court, Lahore against the orders of the Sub-Registrars, who keeping in view the advice of the Law Department, impressed upon the parties to pay the stamp duty according to the valuation table, irrespective of the value of the property mentioned in the suit/decreed. One of the case law reported is Abdul Sattar Vs. Registrar/Deputy Commissioner, Lahore (1995 C.L.C 187).

In this case, his lordship Mr. Justice Ihsan-ul-Haq, Chaudhry has held that the provisions of Section 27-A Stamp Act, 1899 came into force on 14-6-1986, which was not given retrospective effect, therefore, could not have been made applicable to transactions prior to 14-6-1986.

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In the light of the facts and circumstances of the decision of Lahore High Court in Abdul Sattar Vs. Registrar/Deputy Commissioner, Lahore (1995 C.Lc-187) the Stamp duty on this document may be charged according to the value mentioned in the suit/decrees as the agreement executed on 15-2-1986 i.e. prior 14-6-1986.

Mojib
Chief Inspector of Stamps,
Board of Revenue, Punjab.