

To

All the Deputy Commissioners
in Punjab.

Subject:- **EXEMPTION OF STAMP DUTY ON THE INSTRUMENTS IN CASE OF ORIGINAL ALLOTMENT.**

It is stated that stamp duty @ 5% is leviable on the transfer of a right or interest relating to an immovable property or an acknowledgment of such transfer, by a development authority, housing authority, statutory body, cooperative housing society, company or a developer.

2. Article 63-A also provides exemption of stamp duty on **first time allotment** in case of development authority, housing authority, statutory body (such as DHA), cooperative housing society or a company. It is clarified that exemption available under Article 63-A in case of first time allotment to certain classification of housing societies does not include *private housing societies* as evident from explanation available at the end of Article 63-A which is reproduced as follows:

Article 63-A

“**Explanation.-** Transfer of the right or interest under this Article does not include original allotment from a development authority, housing authority, statutory body, cooperative housing society or company; and transfer through inheritance.”

3. It is a matter of grave concern that most of the private housing societies are issuing allotment letters without payment of stamp duty in violation of Article 63-A of the Schedule-I to the Stamp Act, 1899, thereby causing gigantic loss to the govt. exchequer. It is added here that all the instruments that tend to transfer right or interest related to an immovable property in case of private housing societies are compulsorily registerable before the Sub-Registrar under the Registration Act, 1908.

4. You are requested to take immediate steps to stop this malpractice and to ensure that 5% stamp duty is recovered in case of allotment to the 1st allottee as well as subsequent transfers by the private housing societies after getting the instrument registered before the concerned Sub-registrar. Legal action may please be taken against the delinquent private housing societies.

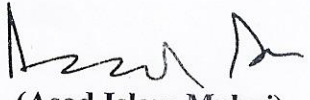
5. All the Sub-Registrars under your jurisdiction may please be directed to visit the offices of all the private housing societies and to impound all such instruments available in the offices of the concerned private housing societies in terms of section 33 of the Stamp Act, 1899

which are either unstamped or under-stamped. Penalty upto ten times the deficient amount can be imposed by the District Collector in terms of section 40 of the Act *ibid*.

6. Action taken in the matter may please be reported to this office in the following format by 23rd October, 2017 positively:-

Name of Private Housing Society	Status (Approved / Unapproved)	Sub-Registrar office in whose jurisdiction society located	Whether instruments are being registered before the Sub-Registrar (Yes / No)	Whether Stamp Duty is being paid on		Date of visit of Sub-Registrar	Action taken against the society	
				First allotment (Yes / No)	Subsequent transfers (Yes / No)		No. of instruments impounded	Legal action against the society

This task must be assigned "Top Priority".


(Asad Islam Mahni)
Member (Taxes)
Board of Revenue, Punjab

CC:-

1. All the Divisional Commissioners, in the Punjab.
2. Secretary (S&C), Board of Revenue, Punjab.
3. All the Additional Deputy Commissioners (Revenue), in the Punjab.
4. Chief Inspector of Stamps, Board of Revenue, Punjab.
5. All the Inspectors, Board of Revenue, Punjab.
6. All the Auditors, Board of Revenue, Punjab.