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No. 4936 -2017/1256 - ST (I)
Board of Revenue, Punjab
(STAMP WING)
Lahore dated 19th September, 2017

To

All the Deputy Commissioners,
in the Punjab.

Subject: **MISDECLARATION IN INSTRUMENTS ABOUT COVERED AREA -
ENQUIRY BY SUB-REGISTRARS**

Your intention is drawn towards provisions of Section 27 of the Stamp Act, 1899, which clearly states that *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*. Thus parties are legally bound to truly declare *inter alia* the description, nature and location of immoveable property and other facts affecting the chargeability of any instrument with duty. In addition to the legal responsibility of the parties to state the correct facts and circumstances related to chargeability of taxes, it is also incumbent upon the Sub-Registrar to hold inquiry with regard to veracity of the facts stated in the instrument regarding description, nature and location of immovable properties under the provisions of section 34 of the Registration Act, 1908.

2. Parties have the tendency to furnish wrong description in the instrument about the covered area resulting in loss to the public exchequer. It has been noted with grave concern that the Sub-Registrars invariably accept the facts as narrated by the parties in the instrument without going into the process of inquiry which is violation of the afore-said provision of the Registration Act, 1908.

3. Sub-Registrars may get the facts related to covered area of an immovable property counter checked by holding inquiry under section 34 of the Registration Act, 1908. During the course of inquiry, Sub-Registrars can obtain information regarding covered area from the Excise & Taxation Department or may direct the parties to furnish approved building plan from the concerned Development Authority, Municipal Corporation etc. This shall help them to plug possible leakage in the stamp duty on account of misdeclaration about covered area in the instruments.

4. If it is established as a consequence of inquiry or upon receipt of information from any source that the parties had mentioned wrong facts in the instrument in order to escape government taxes, the Sub-Registrar is *inter alia* required to proceed against the parties under provisions of section 64 of the Stamp Act, 1899 which requires registration of criminal case against the parties, in addition of impounding of deficiently stamped instrument under section 33 of the Act *ibid*.

5. You are requested to direct all the Sub-Registrars under your supervisory control to ensure strict compliance with the afore-said directions.



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

CC:

A copy is forwarded for information and necessary action to:-

- i. Chief Inspector of Stamps, Board of Revenue, Punjab.
- ii. Senior Inspector of Stamps, Board of Revenue, Punjab.
- iii. All Sub-Registrars in the Punjab.
- iv. All Inspectors of Stamps, Board of Revenue, Punjab.
- v. All Auditors (Taxes Wing), Board of Revenue, Punjab.