

Recent amendments made to the stamp duty payable on various instruments in Tamil Nadu

The Government of Tamil Nadu (“GoTN”) had passed an amendment act *i.e.*, the Indian Stamp (Tamil Nadu Amendment) Act, 2023 (“**Amendment Act**”), wherein the stamp duty payable in relation to certain instruments are revised. The revised stamp duty are effective from May 3, 2024.

S.No.	Instrument	Relevant Article of the Schedule I to the Act	Stamp Duty Prior to Amendment	Stamp Duty Pursuant to Amendment
1.	Adoption deed	3	INR 100 (Indian Rupees one hundred)	INR 1,000 (Indian Rupees one thousand)
2.	Affidavit including affirmation or declaration	4	INR 20 (Indian Rupees twenty)	INR 200 (Indian Rupees two hundred)
3.	Agreement (Not otherwise provided for)	5(j)	INR 20 (Indian Rupees twenty)	INR 200 (Indian Rupees two hundred)
4.	Articles of Association	10	INR 300 (Indian Rupees three hundred)	0.05% on the authorised share capital of the company subject to a maximum of INR 5,00,000 (Indian Rupees fifty thousand)
5.	Cancellation	17	INR 50 (Indian Rupees fifty) for instrument (any instrument by which any instrument previously executed is cancelled) if attested and not otherwise provided.	INR 1,000 (Indian Rupees one thousand) for instrument (any instrument by which any instrument previously executed is cancelled), if attested whether it involves transfer of property or not and not otherwise provided for.

S.No.	Instrument	Relevant Article of the Schedule I to the Act	Stamp Duty Prior to Amendment	Stamp Duty Pursuant to Amendment
6.	Copy or Extract certified to be a true copy or extract by or by order of any public offer and not chargeable under the law for the tile being in force relating to Court fees	24(i)	INR 5 (Indian Rupees five)	INR 100 (Indian Rupees one hundred)
7.		24(ii)	INR 20 (Indian Rupees twenty) in any other case	INR 100 (Indian Rupees one hundred) in any other case
8.	Counterpart or Duplicate if the duty with which the original instrument is chargeable exceed five rupees or any other case	25(b)	INR 20 (Indian Rupees twenty)	INR 500 (Indian Rupees five hundred)
9.	Lease where the period of lease is below thirty years	35(a)	1% on the rent, fine, premium or advance, if any payable.	1% on the rent, fine, premium or advance or security deposit, if any, payable.
10.	Lease where the period of lease is above thirty years and up to ninety-nine years	35(b)	4 % on the rent, fine, premium or advance, if any payable.	4 % on the rent, fine, premium or advance or security deposit, if any, payable.
11.	Lease where the period of lease is above ninety-nine years	35(c)	7% on the rent, fine, premium or advance, if any payable.	7% on the rent, fine, premium or advance or security deposit, if any, payable.
12.	Memorandum of Association	39	INR 200 (Indian Rupees two hundred) if accompanied by Articles of Association (or) INR 500 (Indian Rupees five hundred) if not so accompanied	INR 200 (Indian Rupees two hundred)

S.No.	Instrument	Relevant Article of the Schedule I to the Act	Stamp Duty Prior to Amendment	Stamp Duty Pursuant to Amendment
13.	Partition deed executed between non-family members	45(b)	4% for the amount of the value of the separated shares of the property	4% for the amount of the market value of the separated shares of the property
14.	Partnership	46A	INR 300 (Indian Rupees three hundred)	INR 1000 (Indian Rupees one thousand)
15.	Power of attorney executed solely for registration or admitting execution	48 (a)	INR 5 (Indian Rupees five)	INR 500 (Indian Rupees five hundred)
16.	Power of attorney when authorizing one person or more to act in a single transaction other than the case mentioned in clause 48(a)	48 (b)	INR 15 (Indian Rupees fifteen)	INR 500 (Indian Rupees five hundred)
17.	Power of attorney when authorizing not more than five persons to act jointly and severally in more than one transaction or generally	48 (c)	INR 100 (Indian Rupees one hundred)	INR 1000 (Indian Rupees one thousand)
18.	Power of attorney when authorizing more than five but not more than ten person to act jointly and severally in more than one transaction or generally.	48(d)	INR 175 (Indian Rupees one hundred seventy-five)	INR 1000 (Indian Rupees one thousand)
19.	Power of Attorney to sell immovable property for consideration	48(e)	5% on consideration	5% on market value
20.	Power of Attorney without consideration granted in favour of family member	48(f)	INR 20 (Indian Rupees twenty) for each person authorized	INR 1000 (Indian Rupees one thousand)

S.No.	Instrument	Relevant Article of the Schedule I to the Act	Stamp Duty Prior to Amendment	Stamp Duty Pursuant to Amendment
21.	Power of Attorney without consideration granted in favour of non- family member <i>(newly inserted)</i>	48(g)		1% on market value of the immovable property
22.	Power of attorney in any other case	48(h)	-	INR 1000 (Indian Rupees one thousand) for each person authorized
23.	Reconveyance of Mortgaged Property	54(b)(i)	INR 80 (Indian Rupees eighty)	INR 1000 (Indian Rupees one thousand)
24.		54(b)(ii)	INR 70 (Indian Rupees seventy)	INR 1000 (Indian Rupees one thousand)
25.	Security Bond	57	INR 80 (Indian Rupees eighty)	INR 500 (Indian Rupees five hundred)
26.	Revocation of Settlement	58(b)	INR 80 (Indian Rupees eighty)	INR 1000 (Indian Rupees one thousand)
27.	Surrender of lease	61	INR 40 (Indian Rupees forty)	INR 1000 (Indian Rupees one thousand)
28.	Transfer relating to trust	62 (e)	INR 30 (Indian Rupees thirty)	INR 1000 (Indian Rupees one thousand)
29.	Declaration of Trust	64 (a)	INR 180 (Indian Rupees one hundred eighty)	INR 1000 (Indian Rupees one thousand)
30.	Revocation of Trust	64(b)	INR 120 (Indian Rupees one hundred twenty)	INR 1000 (Indian Rupees one thousand)

In addition to the above, the explanation of the word ‘family’ as set out in Article 55 is also amended to include “the legal heirs of a deceased family member, if any”. Further, the amended explanation of the word ‘family’ is also extended to articles 45(b), 46(b) and 48.

Conclusion

The Amendment Act is a significant revision to the stamp duty levied on various instruments to the prevailing times, which was otherwise levied on obsolete duty. Also, the extension of the definition of the word ‘family’ to other instruments will promote innovative and unique structures in Estate Planning and Real Estate Transactions.

Real Estate Practice

JSA is widely recognised as having one of the premier Real Estate Practices in India, and it is one of the most sophisticated & highly diversified commercial Real Estate practices, led by knowledgeable and experienced Real Estate experts at each of our offices in Gurugram, New Delhi, Mumbai, Bangalore and Hyderabad and Chennai. Our clients use our services for some very challenging and complex Real Estate transactions, which require thoughtful and practical advice.

Our clients comprise a broad cross-section of Indian and International, Institutional & private entities, including Developers, Real Estate advisers, Banks, Real Estate Funds, high net worth Investors, Governments, Major Retailers, Hotel owners & operators and others.

We are primarily involved in legal and regulatory issues for various types of Real Estate projects, including in relation to construction and development of hotels, malls, residential & commercial complexes, warehouses, IT & Industrial Parks and Special Economic Zones.

We have been involved in conducting legal due diligence in relation to such projects and have drafted/ reviewed various types of documents including transaction documents such as (a) Shareholders/ Subscription/ Share Purchase Agreements; (b) Development Agreements; (c) Joint Venture Agreements and other related documents/ agreements.

During the course of our practice, we have also been involved in the drafting/ reviewing of (a) Agreements for Sale; (b) Conveyance Deeds; and (c) Lease Deeds.










This Prism has been prepared by:



Aravind Raj
Partner



Vishwa Badrinath
Associate

		
<p>18 Practices and 25 Ranked Lawyers</p>	<p>13 Practices and 38 Ranked Lawyers</p>	<p>Recognised in World's 100 best competition practices of 2024</p>
		
<p>19 Practices and 19 Ranked Lawyers</p>	<p>12 Practices and 42 Ranked Partners IFLR1000 APAC Rankings 2023 ----- Banking & Finance Team of the Year ----- Fintech Team of the Year ----- Restructuring & Insolvency Team of the Year</p>	<p>Among Top 7 Best Overall Law Firms in India and 9 Ranked Practices ----- 11 winning Deals in IBLJ Deals of the Year ----- 12 A List Lawyers in IBLJ Top 100 Lawyer List</p>
		
<p>Innovative Technologies Law Firm of the Year 2023 ----- Banking & Financial Services Law Firm of the Year 2022 ----- Dispute Resolution Law Firm of the Year 2022 ----- Equity Market Deal of the Year (Premium) 2022 ----- Energy Law Firm of the Year 2021 ----- Employer of Choice 2021</p>	<p>7 Ranked Practices, 16 Ranked Lawyers ----- Elite – Band 1 - Corporate/ M&A Practice ----- 3 Band 1 Practices ----- 4 Band 1 Lawyers, 1 Eminent Practitioner</p>	<p>Ranked #1 The Vahura Best Law Firms to Work Report, 2022 ----- Top 10 Best Law Firms for Women in 2022</p>  <p>7 Practices and 2 Ranked Lawyers</p>

For more details, please contact km@jsalaw.com

www.jsalaw.com



Ahmedabad | Bengaluru | Chennai | Gurugram | Hyderabad | Mumbai | New Delhi



This prism is not an advertisement or any form of solicitation and should not be construed as such. This prism has been prepared for general information purposes only. Nothing in this prism constitutes professional advice or a legal opinion. You should obtain appropriate professional advice before making any business, legal or other decisions. JSA and the authors of this prism disclaim all and any liability to any person who takes any decision based on this publication.