

Stamp Duty Amnesty Scheme 2019 - Extended Benefits



In our May 2019 Legal Update titled "Stamp Duty Amnesty Scheme 2019"^[1], we gave an overview of the Stamp Duty Amnesty Scheme implemented by the Government of Maharashtra vide its Order dated 1 March 2019 ("**Amnesty Scheme**") which offered substantial concessional rate of 90% on the

amount of penalty payable on the deficit stamp duty on certain types of instruments. The benefit of Amnesty Scheme was made available for a period of 6 (six) months from the date of its implementation i.e. till 31 August 2019.

The Government of Maharashtra, through the Revenue and Forest Department, passed an Order dated 31 August 2019 ("**Amending Order**") to amend the aforesaid Order dated 1 March 2019. The Amending Order has extended the Amnesty Scheme until 31 December 2019 and has expanded its scope to include certain instruments relating to non-residential premises which were earlier not covered under the Order dated 1 March 2019.

What was provided under the Amnesty Scheme

The benefit under the Amnesty Scheme was inter-alia introduced for documents pertaining to agreements relating to transfer of tenancy rights of residential premises and conveyances of allotments or transfers / sales of residential units of registered co-operative housing societies which are eligible for deemed conveyance under the provisions of MOFA or whose deemed conveyance is pending.

The period for filing an application for reduction in penalty on the deficient portion of the duty was fixed as six months from the date of implementation of the Amnesty Scheme i.e. until 31 August 2019.

The Amending Order has extended the Amnesty Scheme until 31 December 2019 and has expanded its scope to include certain instruments relating to non-residential premises which were earlier not covered under the Order dated 1 March 2019.

What has been amended under the Amending Order

The benefit is now extended for documents pertaining to agreements relating to transfer of tenancy rights of non-residential premises and conveyances of allotments or transfers / sales of non-residential units of registered co-operative housing societies which are eligible for deemed conveyance under the provisions of MOFA or whose deemed conveyance is pending.

As mentioned earlier, the time period for filing an application for reduction in penalty on the deficient portion of the duty has been extended until 31 December 2019.

However the Amending Order has clarified that residential units like individual bungalows or row houses in co-operative housing societies and non-residential units in industrial areas or industrial co-operative societies shall not be entitled for the benefits provided under the Amnesty Scheme.

Save and except what has been amended under the Amending Order, all other terms, conditions and procedures as provided under the Order dated 1 March 2019 will remain the same.

In view of the Amending Order, the owners of residential as well as commercial tenancies or commercial / office / shops in certain co-operative housing societies whose prior title documents are not sufficiently stamped can take benefit of concessional penalty under the Amnesty Scheme.

Conclusion

In view of the Amending Order, the owners of residential as well as commercial tenancies or commercial / office / shops in certain co-operative housing societies whose prior title documents are not sufficiently stamped can take benefit of concessional penalty under the Amnesty Scheme.

This Amending Order is good news for those who have not yet or are still in the process of taking the benefit offered under the Amnesty Scheme who now have time till 31 December 2019 to file an application before the concerned authority.

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[1] [Stamp duty Amnesty Scheme 2019](#)

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