



KARNATAKA LEGISLATIVE ASSEMBLY
FIFTEENTH LEGISLATIVE ASSEMBLY
EIGHTH SESSION

THE KARNATAKA STAMP (SECOND AMENDMENT) BILL, 2020
(LA Bill No. 66 of 2020)

A Bill further to amend the Karnataka Stamp Act, 1957.

Whereas it is expedient further to amend the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957), for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Seventy first year of the Republic of India as follows:-

1. Short title and commencement.- (1) This Act may be called the Karnataka Stamp (Second Amendment) Act, 2020.

(2) It shall be deemed to have into force with effect from 19th November, 2020.

2. Amendment of section 9.- In the Karnataka Stamp Act, 1957, (Karnataka Act 34 of 1957) (hereinafter referred to as the principal Act) in section 9, in sub-section (1), in clause (a), after the last proviso, the following shall be inserted, namely:-

"Provided also that the State Government may, in public interest, by notification, reduce or remit, the stamp duty payable on any instruments to be specified therein, executed by new and existing micro, small, medium enterprises (MSME) Large, Mega, Ultra Mega, Super Mega Enterprises including expansion, modernization and diversification project and in respect of any such projects as specified in the Karnataka Industrial Policy 2020-25 subject to production of certificate to that effect from the Director of Industries and Commerce."

3. Amendment of schedule.- In the schedule to the Principal Act, in article 20,-

(i) in clause (2) after the words "pertaining to premises of Flat" the words, figures and brackets "other than premises of Flat referred in clause (2A)" shall be inserted.; and

(ii) after clause (2) and the entries relating thereto, the following shall be inserted, namely:-

<p>"(2A) where an instrument of conveyance relating to the first sale of flat or apartment, and,-</p>	
<p>(i) where the market value of which is rupees twenty lakhs or less than twenty lakhs.</p>	<p>two percent of the value</p>
<p>(ii) where the market value of which is above rupees twenty lakhs but upto and inclusive of thirty five lakhs.</p>	<p>three percent of the value</p>

"

4. Repeal and savings.-(1) The Karnataka Stamp (Amendment) Ordinance, 2020 (Karnataka Ordinance 24 of 2020) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

It is considered necessary further to amend the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957) to give effect to,-

- (i) the proposals made in the Karnataka Industrial Policy 2020-25 by the State Government to give impetus to growth of the industry; and
- (ii) the Proposal made in the Budget Speech of 2020-21 to Reduce the stamp duty to first sale of flat or apartment up to thirty five lakhs

As the matter was urgent and both houses of the Karnataka state legislature were not in a session, therefore the Karnataka Stamp (Amendment) Ordinance, 2020 (Karnataka Ordinance No.24 of 2020) was promulgated to achieve the above object.

This Bill seeks to replace the said Ordinance.

Hence the Bill.

FINANCIAL MEMORANDUM

There is no extra expenditure involved in the proposed legislative measure.

Explanatory Statement as required under sub-rule (1) of rule 80 of the Rules of procedure and conduct of Business in the Karnataka Legislative Assembly.

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R. ASHOKA
Minister for Revenue

M.K. Vishalakshi
Secretary (I/c)
Karnataka Legislative Assembly

Act, 1972 (Karnataka Act 16 of 1973) or 'Apartment' as defined in clause (a) of section 3 of the Karnataka Apartment Ownership Act, 1972 (Karnataka Act 17 of 1973) or transfer of share by or in favour of Co-operative Society or Company pertaining to premises or Unit and the market value of the property which is the subject matter of conveyance.

Explanation:—

(a) "Premises" means and includes undivided interest in the land, building and proportionate share in the common areas:

(b) "Unit" includes flat, apartment, tenement, block or any other unit by whatever name called, constructed or under construction in accordance with the sanctioned plan by the authority competent to sanction a building plan under any law for the time being in force:

(c) xxx

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