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**Bihar Finance Act, 2008****12 of 2008**

An Act to amend The Bihar Value Added Tax Act, 2005 (Act 27 of 2005) and Indian Stamp Act, 1899 (Act 11 of 1899). Be it enacted by the Legislative\* of the State of Bihar in the fifty-ninth year of the Republic of India as follows:- 1. Published in Bihar Gazette (Ex-Odr) dated 2.4.2008. \* Should be Legislature.

**1. Short Title, Extent And Commencement :-**

- (1) This Act may be called the Bihar Finance Act, 2008.
- (2) It shall extend to the whole of the State of Bihar.
- (3) It shall come into force at once.

**2. Amendment Of Section-54(2) Of Bihar Act 27, 2005 :-**

Explanation 2 of Section 54(2) shall be substituted in the manner, namely:-

"Explanation 2.- For the purposes of this section, "accountant" means a Chartered Accountant within the meaning of the Chartered Accountants Act, 1949 (38 of 1949) and Institute of Cost and Works Accountants of India Act, 1959 and includes a person who, by virtue of the provisions of sub section (2) of Section 226 of the Companies Act, 1956 (1 of 1956), is entitled to be appointed to act as an auditor of companies registered in any State."

**3. Amendment In Section-47 A Of The Indian Stamp Act,**

## **1899 :-**

Sub-section (1) of Section 47A of the Indian Stamp Act, 1899 [as amended vide Indian Stamp (Bihar Amendment) Act, 2006] shall be substituted as follows:-

"(1) Where the Registering Officer appointed under the Registration Act, 1908 (Act 16 of 1908) while registering any instrument of conveyance, exchange, gift, partition or settlement is satisfied that the market value of the property which is the subject matter of such instrument has been set forth at a lower rate than the Guide Line Register of estimate minimum value prepared under the rules framed under the provisions of this Act, he shall refer such instrument, before registering it, to the Collector for determination of the proper market value of such property and the proper duty payable thereon:

Provided that where the market value of the property of the instruments described above has been fixed at an amount which is not less than the value prescribed in the Guide Line Register of estimated minimum value prepared under the rules framed under the provisions of this Act, but the Registering Officer has reasons to believe that the market value of the property which is the subject matter of such instrument has not been rightly set forth or it is higher than the estimated minimum value, he, after registering such instrument, shall refer it by assigning proper reasons to the Collector for determination of proper market value of the property and the proper duty payable thereon."

### **4. After Sub-Section (5) Of Section 47A, Following Sub-Section Shall Be Added As Follows :-**

"(6) Before filing an appeal under sub-section (4), the aggrieved party shall deposit 50% (fifty percent) amount of the payable deficient stamp duty chargeable on the market value of the property as determined by the Collector.

(7) If after determination of the proper market value, it is established that the parties have deliberately concealed the actual description of property or the market value of the property or any other facts and circumstances affecting the chargeability of the duty as required under Section 27 of the Indian Stamp Act, 1899 [as amended by Indian Stamp (Bihar Amendment) Act, 1988], the Collector, or in cases where appeal has been filed, the Appellate Authority, may impose a fine equal to 10% (ten per cent) amount

of the deficient stamp duty.

(8) If an appeal is not filed under sub-section (4) of Section 47A, an interest at the rate of 5% (five per cent) per month shall be leviable on the deficient amount of stamp duty if it is not deposited within sixty days from the date of order passed by Collector.

(9) If an appeal is filed as prescribed in sub-section (4) of Section 47A, interest at the rate of 5% (five per cent) per month shall be payable from the date of the order of the Appellate Authority for deposit of deficient stamp duty if it is not paid within sixty days of such order.

(10) If the amount of deficient stamp duty is not paid within sixty days from the date of the order of the Collector in case an appeal is not filed against the said order, or within sixty days from the date of the order of the Appellate Authority as the case may be, the amount of deficient stamp duty alongwith the amount of interest shall be recovered by the Collector as prescribed under Section 48 of the Act."

## **5. Amendment In Section 50 Of The Indian Stamp Act, 1899**

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Section 50 of the Indian Stamp Act, 1899 shall be substituted as follows:-

"(1) No claim for relief under Section 49(d)(5) of the Act shall be admissible unless the application for the relief is made within two months of the date of execution.

(2) No Instrument shall be executed on any stamp paper which has remained unutilized for a period exceeding one year from the date of its purchase.

(3) No refund shall be admissible after the expiry of a period of one year from the date of purchase of a stamped paper.

(4) All refunds under this Section shall be made by the order of the Collector:

Provided that if the stamp paper has been purchased before the provisions of this section come into force, no refund can be allowed or no instrument on such stamp paper can be executed after the expiry of one year from the date of its purchase as provided in sub-section (2) and sub-section (3) or after six months from the date of this Section coming into force, whichever is later."