

Karnataka Stamp (Amendment) Act, 2015

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An Act 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 sixty-sixth year of the Republic of India as follows:-

1. Short title and commencement :-

(1) This Act may be called the Karnataka Stamp (Amendment) Act, 2015.

(2) It shall come into force with effect from the first day of April 2015.

2. Amendment of schedule :-

In the Karnataka Stamp Act, 1957 (Karnataka Act 34 of 1957) in the schedule,-

(1) in article 5,-

(a) for clause (g), and the entries relating thereto, the following shall be substituted, namely:-

" (g) if relating to sale of moveable property,-

(i) possession of the property is delivered or is agreed to be delivered without executing the conveyance Two percent of the consideration or market value of the property, whichever is higher :
Provided that, where a deed of cancellation of earlier agreement is executed by and between the same parties in respect of the same property and if proper stamp duty has been paid on such

agreement, the duty on such "deed of cancellation" shall not exceed rupees five hundred.

(ii) possession of the property is not delivered Ten paise for every one hundred rupees or part thereof on the market value equal to the amount of consideration subject to a maximum of rupees twenty thousand but not less than rupees five hundred".

(b) after clause (i-d) and the entries relating, the following shall be inserted, namely -

"(i-e) Chit Agreement, executed in the State of Karnataka under section 6 of the Chit Funds Act, 1982, where the value of the chit,-

(i) does not exceed rupees one lakh Rupees one hundred

(ii) exceeds rupees one lakh but does not exceed rupees five lakhs Rupees Five hundred

(iii) exceeds rupees five lakhs, for every rupees two lakhs or part thereof Rupees one hundred "

(2) in article 6,-

(a) for clause (1) and the entries relating thereto, excluding explanation, the following shall be substituted, namely,-

" (1) the deposit of title deeds or instruments constituting or being evidence of the title to any property whatever (other than a marketable security), where such deposit, has been made by way of security for the repayment of money advanced or to be advanced by way of loan or an existing or future debt;

If such loan or debt is repayable on demand from the date of instrument evidencing the agreement,- 0.1 percent on the loan or debt amount subject to a minimum of rupees five hundred

(i) where the loan or debt amount does not exceed rupees ten lakhs

(ii) where the loan or debt amount exceeds rupees ten lakhs 0.2 percent on the loan or debt amount subject to a maximum of rupees ten lakhs."

(b) in clause (2) and the entries relating thereto, excluding exemption in column 2 and the proviso in column 3, the following shall be substituted, namely,-

"(2) the pawn or pledge of moveable property, where such pawn or pledge has been made by way of security for the repayment of money advanced or to be advanced by way of loan or an existing or future debt.

If such loan or debt is repayable on demand or otherwise,- 0.1 percent on the loan or debt amount

(i) where the loan amount exceeds rupees one lakh but does not exceed rupees ten lakhs

- (ii) where the loan amount exceeds rupees ten lakhs 0.2 percent on the loan or debt amount subject to a maximum of rupees ten lakhs."
- (3) in article 9, in column 3, for the words, "Fifty rupees", the words, "rupees one hundred", shall be substituted.
- (4) in article 10, in column 3, for the words, "Five hundred rupees for every rupees ten lakhs or part thereof," the words " rupees one thousand for every rupees ten lakhs or part thereof subject to a maximum of rupees fifty lakhs, shall be substituted.
- (5) in article 18, in column 3, for the words, "Fifty rupees", the words, "rupees one hundred", shall be substituted.
- (6) in article 19, in column 3, for the words, "One hundred rupees", the words, " Two hundred rupees ", shall be substituted.
- (7) in article 20, for clause (5) and the entries relating thereto, the following shall be substituted, namely,-
- "(5) Conveyance relating to industrial machinery,-
- (i) when industrial machinery is treated as movable property Two percent of consideration or market value of the property, whichever is higher,
- (ii) when industrial machinery is treated as immovable property Five percent of consideration or market value of the property, whichever is higher".
- (8) in article 32A,-
- (i) in column 2, after the words "Security Deposit" the words "or for carrying on manufacture, trade, business or profession" shall be inserted.
- (ii) in clause (ii), in column 3, after the words, "money advanced" the words, "subject to a minimum of rupees fifty", shall be inserted.
- (iii) in clause (iii), in column 3, after the words, "money advanced" the words, "subject to a minimum of rupees one hundred", shall be inserted.
- (iv) in clause (iv), in column 3, after the words, "money advanced" the words, "subject to a minimum of rupees two hundred", shall be inserted.
- (v) in clause (v), in column 3, after the words, "money advanced" the words, "subject to a minimum of rupees three hundred", shall be inserted.
- (9) in article 34, for clause (d) and entries relating thereto excluding exemption, the following shall be substituted, namely,-
- "(d) for hypothecation of movable property,-
- If the loan or debt is repayable on demand

- (i) where the loan amount does not exceeds rupees ten lakhs rupees ten for every rupees ten thousands or part thereof
- (ii) where the loan amount exceeds rupees ten lakhs rupees twenty for every rupees ten thousands or part thereof, subject to a maximum of rupees ten lakhs".
- (10) in article 37, in clause (c), in column 3, for the words, "One thousand rupees" the words, "rupees fifty", shall be substituted.
- (11) in article 38, in column 3, for the words, "Two rupees" the words, " Fifty rupees ", shall be substituted.
- (12) after article 40 and the entries relating thereto, the following, shall be inserted, namely.-
- "40A Limited Liability Partnership,-A. constitution of Limited Liability Partnership, or conversion of firm/private company/unlisted public limited company into limited liability partnership,
- (a) where the capital does not exceed rupees ten lakhs Rupees one thousand
- (b) where the capital exceeds rupees ten lakhs; for every rupees five lakh of part thereof exceeding rupees ten lakhs Rupees five hundred
- B. Reconstruction or amalgamation of Limited Liability Partnership Two percent on the consideration or market value of the property whichever is higher of the transferor limited liability partnership located within the State of Karnataka".
- (13) in article 43, in column 3, for the words, "Five rupees", the words, " Fifty rupees ", shall be substituted.
- (14) in article 47, for clause (a) and (b) and the entries relating thereto, before the "exemption", the following shall be substituted, namely,
- "(a) when the amount secured does not exceed rupees one thousand Fifty paise for every rupees one hundred or part thereof
- (b) in any other case Rupees two hundred".
- (15) in article 55, in column 3, for the words, "Ten rupees", the words, " Fifty rupees ", shall be substituted.