

KARNATAKA STAMP RULES, 1958

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KARNATAKA STAMP RULES, 1958

In exercise of the powers conferred by Sections 10, 18, 36, 47 and 68 of the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957), the Government of Karnataka hereby makes the following rules, namely.

CHAPTER 1 Preliminary

1. Short Title :-

These Rules may be called the Karnataka Stamp Rules, 1958.

2. Commencement :-

They shall come into force on such date as the State Government may, by Notification, in the Official Gazette appoint.

3. Definitions :-

In these rules,

- (a) "The Act" means the Karnataka Stamp Act, 1957 (Karnataka Act No. 34 of 1957);
- (b) "Section" means a section of the Act;
- (c) "Schedule" means the Schedule to the Act;
- (d) "Superintendent of Stamps" means the Superintendent of Stamps, Karnataka, Bangalore and any other officer appointed by the State Government to perform the functions of the Superintendent of Stamps;
- (e) "Government" means, unless the context otherwise requires, "Government of Karnataka."

4. Description of stamps :-

- (1) Except as otherwise provided by the Act or by these rules,

(i) all duties with which any instrument is chargeable shall be paid, and such payment shall be indicated on such instruments by means of stamps issued by the Government, for the purposes of the Act, and

(ii) a stamp, which by any word or words on the face of it is appropriated to any particular kind of instrument, shall not be used for an instrument of any other kind.

(2) There shall be two kinds of stamps for indicating the payment of duty with which instruments are chargeable, namely

(a) Impressed Stamps; and

(b) Adhesive Stamps.

(3) All the stamps shall be of such pattern as may from time to time be prescribed by Government and shall be only such as have been purchased from any of the State Treasuries in Karnataka State [or from a person who has been granted a licence under these rules].

CHAPTER 2

CHAPTER

5. Impressed Stamps :-

Every instrument chargeable with duty shall except as provided by Section 11 of the Act or by these rules be written on paper on which a stamp of the proper value has been engraved or embossed.

6. Provisions where single sheet of paper is insufficient :-

(1) Where two or more sheets of paper on which stamps are engraved or embossed are used to make up the amount of duty chargeable in respect of any instrument, a portion of such instrument shall be written on each sheet so used.

(2) Where a single sheet of paper bearing an impressed stamp is insufficient to admit of the entire instrument being written on the side of the paper which bears the stamp, so much plain paper may be subjoined thereto as may be necessary for the complete writing of such instrument:

Provided that in every such case a substantial part of the instrument shall be written on the sheet which bears the stamp before any part is written on the plain paper subjoined.

6A. Issue of paper bearing impressed Stamp :-

(1) When an application for issue of a sheet of paper bearing an impressed stamp of a particular value is made

(2) Where the value of such sheet applied for is higher than the highest value of such sheet which the licensee is licensed to sell, the licensee shall not sell such sheets of lesser value to the extent of the required value.]

7. Stamps :-

The duty on any instrument which is chargeable with [a duty of Fifteen paise under the Act or of Thirty paise under Articles 16 and 31] of the Schedule may be denoted by a coloured impression marked on a skeleton form of such instrument by the Superintendent of Stamps.

8. The proper Officer :-

The Superintendent of stamps and such other officer as may be specified by the Government in this behalf are empowered to affix and impress labels and they shall be deemed to be "The Proper Officer" for the purposes of the Act and these Rules.

9. Affixing and impressing of labels by proper officer permissible in certain cases :-

(1) Labels may be affixed and impressed by the proper officer in the case of any of the instruments mentioned in Appendix A, and of the counterparts thereof.

(2) Labels may likewise be affixed and impressed by the proper officer in the case of any of the instruments mentioned in Appendix B, when written in Kannada or English, and accompanied, if written in any other language, by a translation into English or Kannada.

9A. Impressing labels in decimal coinage on unexecuted printed forms of instruments :-

Unexecuted printed forms of instruments already bearing impressed labels indicating stamp duty of the value expressed in annas may, after cancellation of such labels, be impressed with labels of proper value in decimal coinage in the manner laid down in Rule 10.

10. Model of affixing and impressing labels :-

(1) The proper officer shall, upon any such instrument specified in Rule 9 being brought to him before it is executed and upon application being made to him for that purpose, affix or cause to be affixed thereto a label or labels of such value as the applicant may

desire and has paid for, and impress such label or labels by means of a stamping machine, and also counter-stamp the same before returning the instrument to the applicant. In the case

[Provided that the counterstamping referred to in this sub-rule is not required in respect of an instrument impressed or frenked by the proper officer by means of a suitable machine.]

(2) The value of labels referred to in [sub-rule (1)] shall be credited to

(a) Government Treasury, the Reserve Bank of India or its Agent Bank, State Bank of India or its Branches and thereceipt granted therefor attached to every application referred to in sub-rule (1); or

(b) a certificate of credit granted by the Accountant General attached to every application referred to in sub-rule (1); [or

(c) where the value of labels to be affixed and impressed under sub-rule (1) does not exceed rupees five hundred me said value may also be paid in cash to the proper officer.]

(3) On affixing any label or labels under this rule the proper officer shall, where the duty amounts to [rupees six or upwards,] write on the face of the label or labels his initials and where the duty amounts to [rupees hundred or upwards], shall also attach his usual signature to the instrument immediately under the label or labels.

[(4) x x x x x].

10A. Mode of payment of stamp duty by cash in certain cases :-

(1) An application for purposes of Section 10-A shall be made to the officer empowered as may be specified by the Government to make an endorsement on an instrument presented along with the Banking Treasury challan or a demand draft or a pay order drawn on a branch of any scheduled Bank, as the case may be.

(2) On receipt of an application made under sub-rule (i), the officer empowered shall make an endorsement to that effect on the instrument in the form specified in Appendix BA.]

11. Certain instruments to be stamped with impressed labels :-

(1) Instruments (other than instruments which under Section 11 of the Act may be stamped with adhesive stamps) executed out of Karnataka and requiring to be stamped after their receipt in Karnataka shall be stamped with impressed labels.

(2) Where any such instruments as aforesaid is taken to the Deputy Commissioner under sub-section (2) of [Section 18]. of the Act, the Deputy Commissioner shall send the instrument to the proper officer together with the

11A. Composition or Consolidation of Duties :-

(1) Any incorporated company or other body corporate in the State may in respect of certificates of shares or letters of allotment to be issued by it apply in writing to the State Government for permission for consolidation of the duties payable thereof under the Act and to pay the consolidated duties. Full details regarding the total number of certificates of shares or letters of allotment and the amount of duty payable therefor shall be furnished in the application. A copy of every such application shall simultaneously be sent to the Superintendent of Stamps, Bangalore.

(2) On receipt of such application and after obtaining a report from the Superintendent of Stamps regarding the proper duty payable therefor, the State Government may intimate such company or body to credit the amount specified by it in the office of the Superintendent of Stamps, Bangalore, being the consolidated duty payable for such certificate of shares or letters or letters of allotment. On payment of such amount, the Superintendent of Stamps shall immediately credit the amount to the Reserve Bank of India under the appropriate Head of Account and intimate the State Government the fact of having credited the amount along with the number and date of the relevant challan.

(3) The State Government shall thereupon notify in the Official Gazette that the said company or body corporate has in respect of the certificates of shares or letters of allotment specified in the notification, paid the consolidated duty under the Karnataka Stamp Act, 1957. Upon the issue of such notification, the said company or body corporate may issue such certificate of shares or letters of allotment, by printing thereon the words "Consolidated Stamp duty paid, vide notification No. RD.....dated.....] [It shall immediately thereafter send a report to the State Government specifying the correct number of certificates of share or letters of

allotment so issued].

[(4) A company or a body corporate which has paid consolidated stamp duty in accordance with this rule, shall, at all reasonable times, permit any person authorised in writing by the State Government, the Commissioner of Stamps, the Superintendent of Stamps or the Deputy Commissioner of Stamps, in Karnataka, to inspect the registers, books, papers and documents relating to or connected with the issue of letters of allotment or certificate of shares for which such consolidated duty has been paid.]

CHAPTER 3

Adhesive Stamps

12. Use of Adhesive Stamps on certain instruments :-

Notwithstanding anything contained in these rules, whenever the stamp duty payable under the Act in respect of any instrument cannot be paid exactly by reason of the fact that the necessary stamps are not in circulation, the amount by which the payment of duty shall on that account be in defect shall be made up by the affixing of ten paise and five paise adhesive stamps such as are described in Rule 13.

13. Adhesive Stamps or Stamps denoting duty of ten paise :-

Except as otherwise provided by these rules, the adhesive stamp or stamps used to denote the duty of ten paise and five paise shall bear the words "Ten Paise" and "Five paise" respectively.

14. Special adhesive stamps to be used in certain cases :-

The following instruments when stamped with adhesive stamps shall be stamped in the manner hereinafter prescribed, that is to say,

(a) Notarial acts shall be stamped with adhesive stamps bearing the word "Notarial"

[(b) (1) Copies of maps or plans, (2) Printed copies, (3) Copies or extracts from the Registers. When chargeable with duty under Article 21 of the Schedule certified to be true copies shall be stamped with adhesive Court fee stamps of the requisite value.]

(c) Instruments chargeable with stamp duty under Article [37] of the Schedule shall be stamped with adhesive stamps bearing the word "Brokers Note";

[(d) Instruments of hundi shall be stamped with special Adhesive Stamps superscribed as "Hundies".]

CHAPTER 3A

Licences

14A. Sale of Stamps and Stamped papers :-

Stamps and Stamped paper shall be sold at all Treasuries in the State and by such persons only as are granted Licence under these rules.

14B. Treasury Officers to be ex-officio Stamp Vendors :-

(1) The Treasury Officer of each Treasury shall be an Ex-Officio Stamp Vendor.

[Provided that in a District Treasury to which a Stamp Head Clerk is attached, such Head Clerks shall be the ex officio Stamp Vendor.]

(2) No ex officio Stamp Vendor shall purchase stamps at a discount for sale on his own account to the public.

14C. Authority to grant licences :-

The Assistant Commissioner of Stamps and where there is no post of Assistant Commissioner of Stamps, the Deputy Commissioner] (hereinafter referred to as the Licensing Authority) shall be the authority within his jurisdiction to grant licences under these rules.

14D. Grant of licence :-

(1) Any person desirous of obtaining a licence shall make an application in the form prescribed in Appendix BB, in writing to the Licensing Authority within whose jurisdiction he intends carrying on the business. The Licensing Authority may grant a licence in the form prescribed in Appendix BC if he is satisfied that the applicant is competent to discharge the functions satisfactorily and with due diligence. Every such licence shall specify the name of the licensee, the description of the stamps and the stamped papers which he may sell, the place at which it shall be sold and such other matters as may be considered necessary by the Licensing Authority.

(2) Any person aggrieved by an Order of the Licensing Authority refusing to grant a licence, may, within thirty days from the date of such order appeal to the Deputy Commissioner.

(3) Every Licence granted shall expire on the last day of the financial year in respect of which it is granted.

Explanation. For the purpose of this sub-rule 'Financial Year' means the year commencing on the first day of April.

(4) An application for renewal of a licence shall be made in the prescribed form in Appendix BB to the Licensing Authority two months before the date of expiry of the licence.

14E. Suspension or cancellation of licence :-

(1) The Licensing Authority may, pending enquiry into alleged contravention of any of the rules by a licensee, suspend his licence.

(2) The licensing Authority may for contravention of any of these rules and for reasons to be recorded in writing, by order cancel a licence:

Provided that no such order shall be made without giving the licensee a reasonable opportunity of being heard.

(3) Any person aggrieved by an Order under sub-rule (2) may, within thirty days from the date of such order appeal to the Deputy Commissioner.

14F. Duties of licensee :-

(1) A Licensee shall not sell stamps or stamped papers of any description or at any place, other than the stamps or stamped papers of the description and the place specified in his licence.

(2) No licensee shall sell any stamp the use of which has been ordered to be discontinued by a competent authority.

(3) A licensee shall not obtain the stamp or stamped paper except from an Ex-Officio Stamp Vendor.

(4) Every licensee shall at all times display in a conspicuous manner at the place of his business a sign board bearing his name with the words "Licensed Vendor of Stamp and Stamped Papers" and shall also specify therein his hours of business. The sign board shall be in English or Hindi and Kannada.

(5) Every licensee shall keep in his possession a copy of these rules for purpose of reference.

(6) Every licensee shall keep such stock of stamps and stamped papers which he is licensed to sell and as is sufficient to meet the public demand.

(7) Every ex officio Stamp Vendor selling to any person other than a licensee and every licensee shall write on the back of each stamp and stamped paper sold by him the serial number of sale, the date of sale, the name and residence of the purchaser, the value of stamps in words and shall also affix his signature thereon. Where the stamp or the stamped paper is purchased by a person for the use of another person, the name, occupation and residential address of such other person and the value of stamps in full (in words) shall be written on such stamp or stamped paper. If such purchaser has no objection, his signature or thumb-impression shall also be taken on such stamp or stamped paper. Every licensee shall also make corresponding entries in a register kept by him in the form prescribed in Appendix-BD.

(8) Every licensee shall, without undue delay, deliver any stamp or stamped paper which he has in the possession for sale on demand by any person and on tendering the value thereof.

(9) No licensee shall demand or accept any money for any stamp or stamped paper in excess of the face value noted therein.

(10) Every licensee shall keep a daily account of sales in a register to be kept by him in the Form prescribed in Appendix-BD.

(11) Every licensee shall at the close of each day record in such register an extract of the actual stamps and stamped papers sold on that day and the balance remaining in his possession.

(12) Every ex officio Stamp Vendor while issuing stamps or stamped papers to a licensee or other person shall affix the seal of the Treasury with the date of issue.

(13) Every licensee shall, during his hours of business, conspicuously display at the place he is licensed to sell the stock of the stamps or stamped papers of the different descriptions available with him in the form prescribed in Appendix-BE.

14G. Remuneration of licensee :-

Every licensee shall be entitled to discount on the value of stamp purchased by him from the Treasury. There shall be two classes of stamp vendors in respect of non-judicial stamps:

(1) Vendors Class A and (2) Vendors Class B and that those in Class A, be permitted to sell General Stamp Papers upto [Rs. 25,000/-] in a single transaction with a commission of 2% and the Vendors 'B'

Class be authorized to sell general stamp papers not exceeding [Rs. 15,000] in value in a single transaction with a commission of 3 per cent.

14H. Return of Stamps :-

(1) When the licensee resigns or his licence is cancelled, he shall return to the Treasury Officer all the stamps and stamped papers remaining unsold with him. The full value of the stamps and stamped papers returned to the Treasury, less the discount already paid shall be paid to him.

(2) If a licensee dies, the person who is in lawful possession of the stamps and stamped papers shall return them, to the Treasury. The Treasury Officer shall refund to the person returning the stamps or stamped papers, the actual sum paid by the licensee, if he is satisfied that the stamps and stamped papers returned are not spoiled or damaged and are in a fit condition for being re-issued.

(3) In case where stamps are returned by the licensee on his application for leave to restore any other stamps the full value of the stamps returned shall be paid, if the Treasury Officer is satisfied that the stamps returned are not spoiled or damaged and are in a fit condition for being re-issued.

14L. Inspection :-

The Licensing Authority or any other person as may be authorised by the Commissioner of Stamps in writing may, at any time, inspect the accounts and registers kept or maintained by the licensee or examine the stock of stamps in his possession. Any irregularities noticed in the course of the inspection shall be reported to the Commissioner of Stamps.

CHAPTER 4

Miscellaneous

15. Provisions for cases in which improper description of Stamps are used :-

When an instrument bears a stamp of sufficient amount, but of improper description, the Deputy Commissioner may, on payment of the duty with which the same is chargeable, certify by endorsement on the instrument that it is duly stamped:

Provided that if application is made within three months of the execution of the instrument, and the Deputy Commissioner is satisfied that the improper description of stamp was used solely

because of the difficulty or inconvenience of procuring one of proper description, he may remit the further payment of duty prescribed in this rule.

15A. Value of the property to be verified :-

1 .Every person mentioned in Section 38 before whom any instrument of the kind mentioned in sub-section (2) of Section 28 is produced or comes in the performance of his functions shall, verify in each case, the value of the land, building or garden, as the case may be, from such facts as are stated in the instrument and as may be available for determining the value of such land, building or garden:

Provided that such person or a Deputy Commissioner, may, if he considers that correct valuation of the immoveable property concerned cannot be arrived at without having recourse to local inquiry or independent evidence, make such enquiry or takes such evidence as may be necessary after giving due notice to the party concerned who shall be entitled to rebut such evidence.

1. Rule 15-A inserted by SO 1210, dated 27-10-1966, w.e.f. 15-11-1966.

16. Evidence as to circumstances of claims to refund or renewal :-

The Deputy Commissioner may require any person claiming a refund or renewal under Chapter V of the Act or his duly authorised agent, to make an oral deposition on oath or affirmation or to file an affidavit, setting forth the circumstances under which the claim has arisen, and may also, if he thinks fit, call for the evidence of witnesses in support of the statement set forth in any such deposition or affidavit as aforesaid.

17. Payment of allowances in respect of spoiled or misused stamps :-

When an application is made for the payment, under Chapter V of the Act, of an allowance in respect of stamp which has been spoiled or misused or for which the applicant has had no immediate use, and an order is passed by the Deputy Commissioner sanctioning the allowance or calling for further evidence in support of the application then, if the amount of the allowance or the stamp given in lieu thereof is not taken, or if the further evidence required is not furnished, as the case may be, by the applicant within one year of the date of such order as aforesaid the application shall be struck

off and the spoiled or misused stamp (if any) sent 1[for destruction] to the Inspector General of Registration.

18. Application and manner of denoting payment of stamp duty under Section 162 :-

(1) An application for purposes of Section 16 shall be made to the Deputy Commissioner in the form prescribed in Appendix 'C'.

(2) On receipt of an application made under sub-rule (1), the Deputy Commissioner shall make an endorsement.

(a) In the case of a conveyance of a property subject to a mortgage, to the mortgagee, in the following form, namely,

"I hereby certify that on production of the mortgage deed executed in favour of the purchaser in respect of the property described therein, I have satisfied myself that a stamp duty of Rs.....(Here mention the amount) has been paid thereon".

(b) In the case of,

(i) Counterparts;

(ii) Duplicate;

(iii) Supplemental Deeds;

(iv) Further charge with possession on simple mortgage;

(v) Subsidiary, Collateral, additional and substituted security;

(vi) Lease, partition and settlement deeds stamped under the provisos to Articles 30, 39 and 48 of the Schedule to the Act, in the following form, namely,

"I hereby certify that on production of the original document, I have satisfied myself that the stamp duty of Rs.....
(Here mention the amount) has been paid thereon."]

18A. Certificate for purposes of Section 41 :-

1

(1) An application for purposes of Section 41 shall be made to the Deputy Commissioner.

(2) On receipt of an application made under sub-rule (1), the Deputy Commissioner shall certify in form specified in Appendix CA.

MUNOMU 99, dated 17-8-1999, w.e.f. 21-8-1999

18B. Certificate for purposes of Section 46 :-

The empowered officer shall, for the purpose of Section 46 make an endorsement in form specified in Appendix CB.

19. Particulars to be furnished in certain instruments :-

¹ The instruments of conveyance, exchange or gift shall set forth in addition to the facts mentioned in Section 28, the following additional particulars, namely:

- (1) Area of the property and the boundaries thereof;
- (2) If the property is land and contains any structure, the plinth area of the structure and the number of floors in the structure;
- (3) The roofed area of each such floor;
- (4) The material of the wall and the material of the roof of each such floor;
- (5) The amenities provided, like garage, well, water supply (whether by Corporation or by the Water Board) and underground drainage, if any, and electricity (only lighting or all electric);
- (6) The year of construction of the building or if different portions were constructed in different years, the year or years of the construction of each portion.]

1. Rule 19 added by GSR 134, dated. 1-5-1975, w.e.f. 1-5-1975.

20. Intimation of transfer of Motor Vehicle :-

¹ .x x x x x.]

1. Inserted by GSR 336, dated 31-10-1977.