



## WHAT IS STAMP DUTY?

Whenever any movable or immovable asset changes hands, the buyer has to pay a certain amount of tax to the state government, to get it stamped, which is known as stamp duty. The Maharashtra Stamp Act specifies such assets and instruments on which the stamp duty has to be paid to the state government. The Act also details the amount of duty to be paid to the government.

### What is the Stamp Duty for first time buyers?

**Stamp Duty in Maharashtra: Impact of reduction on home buyers**

Reduction in stamp duties makes a remarkable difference for home buyers, thus, benefiting them. The period between September 1, 2020 to December 31, 2020 and from January 1, 2021 to March 31, 2021 saw a reduction in stamp duty which was a welcome move, especially places like Mumbai and Pune where the property costs are

already high. This move was lauded as home buyers were saving on money that had to be paid upfront during a property purchase. Explaining with an example, if cost of a property in Mumbai is Rs 1 crore, the stamp duty to be paid in the period from September-December 2020 was Rs 2 Lakh and from January to March 2021 was Rs 3 lakh, unlike the Rs 5 lakh which home buyers have to pay now as the stamp duty is presently 5%. Hence, there was a clear savings of Rs 3 lakhs or 2 lakhs for the home buyers.

### Registration charges in Maharashtra

The registration charges in the state are 1% of the total cost, for the properties priced below Rs. 30 lakh and capped at Rs. 30,000 for properties priced above Rs. 30 lakh.

### Stamp Duty in Maharashtra on Conveyance Deed

According to Article 34 of the Maharashtra Stamp Act,



## Editorial...

Dear Readers,

We are sure you must have enjoyed your Diwali holidays with your relatives and friends.

Thank you all for your feedback to our services and the Newsletter. We are glad to note that you are enjoying to read the Newsletter. We hope the information given in the Newsletter is useful to you. We request you to send your FAQs and the Topics on which you wish to have more information through this Newsletter, which will help us to serve you better.

Thank you and happy reading.

which was amended in 2017, stamp duty on gift deeds is 3% of the property's value. However, if the property in consideration is a residential or agricultural property and is gifted (without any payment) to family members, then, the stamp duty is Rs. 200/-



The Articles in this Newsletter are based on The Maharashtra Stamp Act (LX of 1958) No. Mudrank 2012/30/CR18/M-1 dated 24.7.2013, and The Maharashtra e-Payment of Stamp Duty and Refund Rules 2013.



## FACTORS THAT CAN IMPACT MAHARASHTRA STAMP DUTY

There are several factors that impact the stamp duty rate and thereby, brings in some respite in the form of reduction.

- **Age of the person:** If the home buyer is a senior, there is a likelihood of him/her getting a reduction in stamp duty.
- **Gender:** To encourage women home buyers, sometimes there are options where women are granted a reduction in the stamp duty.
- **Age of the property:** If the property that a person is looking at investing is an old one, he may get a reduced stamp duty. However, if the property is a new property, then, there are chances that the stamp duty will be high.
- **Type of property:** A residential property commands lesser stamp duty than a commercial property.

### How is Stamp Duty calculated?

Stamp duty is calculated on the basis of ready reckoner rates and the property value mentioned in the buyer-seller agreement. In Maharashtra, the stamp duty on property varies as per the location. For instance, stamp duty for a property located in the municipal limit of urban areas in Mumbai will be 5% of the market value, while a property located within the limits of any gram panchayat will attract stamp duty of 3% of the market value.



### Payment of Stamp Duty

According to the Maharashtra Stamp Act, all instruments chargeable with duty and executed in Maharashtra, should be stamped before or at the time of execution, or on the next working day following the date of execution. However, if the deed is executed out of the territory, it can be stamped within three months after it is first received in India.

The stamp papers must be in the name of one of the parties to the transaction and not in the name of the chartered accountant or lawyer of the parties. Moreover, the date of issue of the stamp paper must not be more than six months older than the date of the transaction.

Stamp duty charges can be paid by way of adhesive or impressed stamps on the deed. In addition to this, the adhesive stamps used on the deed is cancelled at the time of execution, so that it is not available for reuse.

### Online payment of Stamp Duty

The Maharashtra Stamp Act has been amended to accept online payment, for stamp duty payable on instruments executed in the state. Follow the steps, to pay your stamp duty online:

Visit the **Maharashtra Stamp Duty online payment** portal. Follow the steps on the Portal.

If you are stuck at any step or you want to generate your challan again, you can drop a mail to [vtodat.mum-mh@gov.in](mailto:vtodat.mum-mh@gov.in)

### Stamp Duty on past property documents

While the Maharashtra Stamp Act empowers the collector of a district, to call for documents within a period of 10 years from the registration date of such documents, to verify if the appropriate duty has been paid on the deed, the Bombay High Court has held that stamp duty cannot be collected for inadequately stamped past documents, at the time of its subsequent sale. Moreover, if the historical documents are liable to be stamped, the stamp duty shall be recovered only at the market rate prevalent when the transaction took place. That means, stamp duty charges cannot be applied on a retrospective basis. Following are the Banks available in GRAS (Government Receipt Accounting System) – IDBI Bank, Punjab National Bank, Canara Bank, Bank of Maharashtra, Bank of India, Union Bank of India, Bank of Baroda and State Bank of India.



## Maharashtra Stamp Duty Adjudication

For matters in dispute, you can file the adjudication form from the downloads section.

Click Forms and you will reach [https://igrmaharashtra.gov.in/SB\\_DOWNLOADS/DOWNLOADS\\_Forms.aspx](https://igrmaharashtra.gov.in/SB_DOWNLOADS/DOWNLOADS_Forms.aspx). Here, click on 'stamps' and then 'adjudication' and download the form. You can alternatively go to [http://igrmaharashtra.gov.in/SB\\_DOWNLOADS/DATA/forms/Stamps/form\\_stamp\\_adjucation.pdf](http://igrmaharashtra.gov.in/SB_DOWNLOADS/DATA/forms/Stamps/form_stamp_adjucation.pdf) to access the form, a picture of which is shown below.

## Maharashtra Stamp Duty Refund

You can get a refund of Stamp Duty in Maharashtra if:

- The stamp paper is not fit for use due to writing mistakes.
- The stamp paper is unsigned and complete or partial information is filled but is intended not to be used.
- The stamp paper is signed but the transaction is found to be illegal by the party as per Section 31 of Specific Relief Act.
- The court finds the transaction to be entirely illegal since the beginning (Void /ab/ initio) as per Section 31 of Specific Relief Act.
- The person whose signature is essential refuses to sign or has died before signing.
- Any party to the stamp paper document declines signing it.
- Any party to the stamp paper document does not comply with the terms and conditions.
- The value of the stamp for the document is insufficient and the transaction has been completed by using another stamp paper with the correct value.
- The stamp paper is spoiled and both parties have executed another stamp paper document for the same purpose.

## Information to be filled online for stamp duty refund

To initiate stamp duty refund, it is compulsory to enter information through the online system. Once the information is fed online and a token is allotted, you have to submit the application offline. Mentioned below is the procedure in detail.

First you have to log on to the website of IGR Maharashtra and select online services. Here, you have to click on the refund application link. Alternatively, you can go to <https://appl2igr.maharashtra.gov.in/refund/>

## How is stamp duty and registration calculated on property?

They are calculated on the basis of market value or ready reckoner rates.



## What is rate of stamp duty on property in Maharashtra?

It varies across the state, according to the locality and city.

## A few definitions of the Maharashtra Stamp Act:

**Authorized Participating Bank :** It means the participatory bank appointed by the Chief Controlling Authority for the payment of Stamp Duty, registration fees and other charges in to the virtual Treasury and to issue a simple Receipt or e-SBTR for the same.

**CIN :** It means Challan Identification Number issued by authorized participating Banks on receipt of payment from the customer.

**e-SBTR :** It means an electronic-Secured Bank and Treasury Receipt (e-SBTR), issued by the Officer of the authorized participating Bank, on special Government stationery; on payment of Stamp Duty in Virtual Treasury.

**GRAS :** Government Receipt Accounting System (GRAS) means a system used by the Virtual Treasury for receiving and accounting of Government Revenue.

**GRN :** It means a Government Reference Number generated through the system of Virtual Treasury on receipt of Payment.

**Participating Banks :** It means banks appointed by the Finance Department, Government of Maharashtra, for providing facility and services of making Government Payment into the Virtual Treasury.

**Receipt of e-Payment :** It means an e-challan consisting of Government Reference Number (GRN) and Challan Identification Number (CIN), disclosing payment of Stamp Duty in Virtual Treasury, in the name of one of the parties to the instrument in the forms specified in this behalf.

**Simple Receipt :** It means a receipt printed on any plain paper by authorized participating bank or the party to the instrument, on payment of Stamp Duty, registration fees and other charges in Virtual Treasury.

**Virtual Treasury :** It means the Government Treasury, as defined in clause (n) of rule 2 of the Maharashtra Treasury Rules, 1968.

## WHAT IF YOU LOSE YOUR HOME PURCHASE DOCUMENTS?

It is the first duty of everyone to keep your house purchase documents properly. However, sometimes these documents are at risk of being lost or misplaced. At such times, some concrete steps should be taken without fear.

1. As soon as it is noticed that the house purchase documents have been lost or stolen, one has to visit the nearest Police Station.
2. Visit the local Police Station and file a First Information Report (FIR).
3. A specific mention should be made in the FIR if the documents have been lost or stolen.
4. You should keep a copy of the FIR.
5. The Notice has to be published in the newspaper after filing the FIR. This Notice requires complete information about the House. Notices should be published in English as well as local language newspapers. One can wait for 15 days after the notice gets published in the newspaper. There is a possibility If anyone finds lost property documents, they can be returned.
6. If you live in a Housing Society, you can get a duplicate Share Certificate from the Resident Welfare Association.
7. For this you have to give a copy of the FIR and the notice published in the newspaper to the Managing Committee of the Society.
8. The Association can then scrutinize the documents and issue a duplicate Share Certificate.

### What are the other ways?

1. Affidavits can be made on stamp paper for home purchase documents.
2. The Affidavit must provide complete information about the Property.
3. Also, the information of the lost documents, FIRs and newspaper notices have to be mentioned.
4. All these should be registered and notarized and submitted to the Office of the Registrar.
5. Duplicate Sale Deeds can also be applied at the Registrar's Office.
6. Duplicate SaleDeed is received after payment of required fees and attachments.

## FEEDBACK FROM OUR SATISFIED CUSTOMERS...

Tejaswi did the police verification in no time. I barely submitted the details and before I could follow up, I received the email with the police verification complete. Great job Tejaswi.

**BERNADETTE SILVEIRA**

I have registered the rent Agreement for my office it's an really nice experience. Team are supportive and cooperative very happy with the service.

**ABHIJEET DUKHANDE**

Great service by the team. They are very supportive and responsive to client requirements. Special thanks to Monali who supported me really well right from agreement drafting, biometrics, documentation, registration and police intimation.

**JAYESH CHHABRA**

The staff helps us with the entire process of getting the document accurately registered, all from the comfort of our residence. Very happy and satisfied with the services.



Special thanks to Ms. Amina ma'am for her constant coordination.

**AKSHAY KULKARNI**

I have done rent agreement registration 3rd time now through Anulom and had a very good experience overall. They follow at the personal level and help to get delivered earliest.

Thanks to team worked for getting my closed before Diwali holidays.

**RAJAN SHENDE**

Please send your Feedback, suggestions and FAQs about this Newsletter to :  
[yashodhan.jatar@anulom.com](mailto:yashodhan.jatar@anulom.com)

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