

STAMP DUTY EXEMPTION BENEFITS RE-SALE BUYER

The State Government of Maharashtra has, vide the Maharashtra Stamp (Amendment) Act, 2022, amended the Maharashtra Stamp Act, 1958 ("**Act**"), with effect from 7 April 2022 as follows:

Article 5, Clause (g-a) (ii) of Schedule I of the Act ("**Article 5**") prescribes the amount of stamp duty payable on an agreement or memorandum for purchase of one or more units under any project by a person from a developer, i.e. an amount equivalent to stamp duty payable on conveyance of such unit.

However, Article 5 provides that should such unit be sold to a subsequent purchaser within a period of 1 (one) year from the date of execution of the agreement or memorandum, then the stamp duty paid on the agreement or memorandum may be adjusted against the stamp duty that would become payable on the document to be executed with the subsequent purchaser, after keeping a balance of Rs. 100/- (Rupees One Hundred Only).

If on such adjustment, no duty is required to be paid, then the minimum duty for the conveyance of the unit to the subsequent purchaser shall be Rs. 100/- (Rupees One Hundred Only).



Vide the aforesaid amendment, the words "**within a period of one year**" have been substituted with the words "**within a period of three years**".

Thus, such adjustment, essentially exemption, of stamp duty is now available to the subsequent purchaser if such subsequent purchase is made within a period of 3 (three) years from the execution of the agreement or memorandum by the preceding purchaser.

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