



news flash

May 2019



Real Estate

AMNESTY SCHEME 2019 (of the State Government of Maharashtra)

The State Government of Maharashtra by an order dated 1st March 2019, in exercise of the powers granted under section 9 of the Maharashtra Stamp Act, (LX of 1958) and in the interest of the public at large, has introduced an Amnesty Scheme 2019 for homebuyers to regularise and complete the registration process for immovable properties by paying deficient stamp duty with a nominal stamp duty.

The said Amnesty Scheme has come into force with effect from 1st March 2019 for a period of 6 (six) months upto 31st August 2019.

The intent of the Amnesty Scheme is to facilitate residents of housing societies and tenanted premises including those under Maharashtra Housing and Area Development Authority (MHADA), City and Industrial Development Corporation (CIDCO) and the Slum Rehabilitation Authority (SRA), to pay pending/ deficit stamp duty and complete the conveyance transaction.

Under the said Amnesty Scheme 2019, the total penalty payable will only be 10% (ten percent) of the deficit amount of stamp duty. In absence of the said Amnesty Scheme, homebuyers/ residents had to pay a penalty of 2% (two per cent) per month and a maximum fine of 400% (four hundred per cent) on unpaid/deficit stamp duty from the date of execution of the agreement.

Certain conditions of the said Amnesty Scheme 2019 have been set out as under:

- The said reduction in payment of penalty is applicable only to the instruments, which are executed on or before 31st December 2018;
- The applicant is required to submit the original instrument and self-attested copies of supporting documents on or before the last day of the said period;

- Unstamped instruments which are executed on plain papers shall not be eligible for any benefit under this order; except the instruments executed by MHADA, CIDCO and SRA;
- The applicant is required to pay the deficient portion of duty and penalty as per the order within a period of 60 (sixty) days from the date of receipt of the demand notice issued by the concerned Collector of Stamps, failing which the applicant shall not be entitled for the benefits provided under the said order dated 1st March 2019;
- The said instruments which were already submitted in the previous Amnesty Schemes notified vide Government of Maharashtra Notifications, Revenue and Forests Department, but where stamp duty and penalty under the previous Amnesty Schemes have not been paid as yet, are also eligible for the reduction in penalty under the said order. However, to avail of the reduction in penalty under the said order, the applicant shall have to make a fresh application in the prescribed format.

Real Estate Team:

For further clarification and details on the above, you may write to Sameer Tapia (Senior Partner) at atstapia@almtlegal.com , Chhaya Virani (Partner) at cvirani@almtlegal.com and Yusuf Indorewala (Principal Associate) at yindorewala@almtlegal.com.

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