

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:842
ANSWERED ON:24.02.2006
CHANGES IN STAMP PAPER ACT,1899
Deora Shri Milind Murl

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Governments have made conflicting changes in the Indian Stamp Act, 1899;
- (b) if so, whether the Union Government proposes to amend the Act in order to bring uniformity in it;
- (c) if so, whether the Draft of the proposed Bill has been circulated among States to seek their concurrence as the Act is in the Concurrent List;
- (d) if so, the details thereof; and
- (e) the time by which Bill is likely to be introduced?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) to (e): The need to amend the Indian Stamp Act, 1899 has been long felt in order to bring it in tune with the ongoing process of economic reforms. The Law Commission of India as well as various other committees have recommended sweeping changes in the existing stamp duty legislation. A Committee of State Finance Ministers on Stamp Duty reforms had also made similar recommendations. In this context, a Group of Officers was set up, which suggested replacing the existing Indian Stamp Act, 1899 by a new Stamp Act. In July 2005, the matter was discussed in the meeting of the Standing Committee of State Secretaries of Stamp and Registration and it was decided to constitute a Sub-Committee to prepare a draft of the new legislation. Accordingly, the Sub-Committee has prepared a draft which has been circulated to all the States/ UTs in January 2006 seeking their comments. Further action in this matter will be taken after receiving the feedback from the States. It is not feasible at this stage to specify the time within which the new Bill can be introduced.