

THE KERALA STAMP (AMENDMENT) BILL

A bill further to amend the Kerala Stamp Act, 1959

Preamble.—WHEREAS it is expedient further to amend the Kerala Stamp Act, 1959 (17 of 1959) for the purpose hereinafter appearing,

BE it enacted in the Fifty-ninth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Stamp (Amendment) Act—

(2) It shall come into force at once.

2. *Amendment of Schedule 12.* — For the entries under serial No.12 in the schedule to the Kerala Stamp Act, 1959 (17 of 1959), the following entries shall be substituted, namely:—

(a) Where the amount or value of the property to which the award relates as set forth in such award does not

exceed ten crores rupees Rs. 150/-

(b) Where the amount exceeds Rs.Ten crores a maximum of Rs. 300/-

Statement of Objects and Reasons

The stamp duty leviable under Article 12 of the schedule attached to the Act on arbitration awards is unreasonably high when compared to stamp duty levied on Awards of the same type by all other States especially States like Bombay, Madras, Gujarat, Goa, Calcutta, Andhra Pradesh. In Bombay, Madras and Gujarat a fixed amount of Rs.100 alone is the Stamp Duty whatever may be the amount involved in the award in Goa the amount of maximum stamp duty is only Rs.50 whatever may be the total amount involved in the award. In Calcutta and Andhra Pradesh again the stamp duty leviable is a fixed amount of Rs.150 and Rs.300 respectively. As such it is only proper and just that the maximum amount of stamp duty available for awards under the Act is also fixed as Rs.300/- if the amount involved exceeds Rs.10 crores. In this connection it is felt that adopting such a moderate rate of stamp duty will encourage people to resolve the dispute by arbitration.