

TT Alert

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Maharashtra Government Announces Stamp Duty Amnesty Scheme 2023

- On 7th December 2023, the Maharashtra Stamp Duty Amnesty Scheme 2023 ("Abhay Yojana") was introduced, offering an opportunity to remit or reduce stamp duty and penalties on instruments executed between 1st January 1980 to 31st December 2020.

Abhay Yojana is being implemented in two phases:

- ▶ Phase I: 1st December 2023 to 31st January 2024
- ▶ Phase II: 1st February 2024 to 31st March 2024

• Key highlights of the Abhay Yojana are as under:

Applicability:

The Abhay Yojana is applicable to instruments executed on stamp paper during 1st January 1980 to 31st December 2020. The eligible instruments must be executed on the Government approved stamp paper.

Instruments covered:

The Abhay Yojana is applicable to various instruments including conveyance, agreement to sale, lease, gift and any type of instrument related to amalgamation, merger, demerger, arrangement, or reconstruction of companies.

Non-refundable:

No refund shall be granted if stamp duty or penalty has already been paid.

Pending Appeals or Reviews:

If any appeal or review is pending applicants are required to withdraw the same and file an application under the Abhay Yojana.

Market Value Determination:

The market value determined by the stamp duty authority shall be considered final and the duty is payable as per the demand notice. The amount must be paid within 7 days of receiving the demand notice.

Application Process:

Applicant needs to submit an online application, including the original instrument and supporting documents.

Reduction in stamp duty and penalty

Phase I offers relatively higher reductions in stamp duty and penalties compared to Phase II, as provided below:

Phase	Date of Execution	Stamp duty payable (amount in INR)	Reduction in stamp duty	Reduction in Penalty
Phase I (1st December 2023 to 31st January 2024)	1st January 1980 to 31st December 2000	1 - 1 lakhs	100%	100%
		Exceeding 1 lakhs	50%	100%
	1st January 2001 to 31st December 2020	1- 25 Crs	25%	90% (penalty is capped to max 0.25 Crs)
		Exceeding 25 Crs	20%	Fixed penalty of 1 Crs
Phase II (1st February 2024 to 31st March 2024)	1st January 1980 to 31st December 2000	1 - 1 lakhs	80%	80%
		Exceeding 1 lakhs	40%	70%
	1st January 2001 to 31st December 2020	1- 25 Crs	20%	80% (penalty is capped to max 0.5 Crs)
		Exceeding 25 Crs	10%	Fixed penalty of 2 Crs

RBSA Comments

By implementing this initiative, the Maharashtra Government is working towards its larger goal of easing the financial burden on individuals and entities who have pending stamp duty obligations. The Abhay Yojana phased implementation ensures that participants have a defined period to avail themselves of the benefits, emphasising efficiency and clarity in the process.

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