Karnataka Stamp Act, 1957

Section 45A - Instrument of Conveyance, Etc., Undervalued How to Be Dealt with

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1[45-A. Instrument of conveyance, etc., undervalued how to be dealt with.-

2 [(1) If the registering officer appointed under the Registration Act, 1908 (Central Act XVI of 1908) while registering 3 [any instrument of -

(a) Conveyance [section 2 (1) (d)],

(b) Gift (Article 28 (a))

(c) Exchange of property (Article 26)

(d) Settlement (Article 48-A(i))

(e) Reconstitution of Partnership (Article 40-B(a),

(f) Dissolution of Partnership (Article 40 C (a))

(g) An agreement to sell covered under sub-clause (i) of clause (e) of Article 5,

(h) A lease covered under item (vi) of sub-clause (a), item (ii) of sub-clause (b) and item (ii) of sub-clause (c) 4 [and of sub-clause (d)] of clause (1) of Article 30,

(i) A Power of Attorney covered under clause (eb) 15[and clause (ea)] of Article 41,

(j) Release 16[(Article 45(a)]

(k) Conveyance under decree or final order of any Civil Court has reason to believe,;] having regard to the estimated market value published by the committee constituted under Section 45-B, if any, or otherwise, that the market value of the property which is the subject-matter of such instrument has not been truly setforth, he shall after arriving at the estimated market value, communicate the same to the parties and unless the parties pay the duty on the basis of such valuation, shall keep pending the process of registration and refer the matter along with a copy of such instrument to the Deputy Commissioner for determination of the market value of the property and the proper duty payable thereon.]

15[(l) Agreement [Article 5(f)]

(m) Award [Article 11(a)]

(n) Trust [Article 54 (A) (iii)]]

(2) On receipt of a reference under sub-section (1), the Deputy Commissioner shall, after giving the parties a reasonable opportunity of being heard and after holding an inquiry in such manner as the State Government may by rules prescribe, determine by order 6 [as far as may be within ninety days from the date of receipt of such reference] the market value of the property which is the 7 [subject matter of instrument specified in sub-section (1) and the duty payable thereon]. The difference, if any,

in the amount of duty, shall be payable by the person liable to pay the duty 8 [with interest at twelve per cent per annum if he does not pay within ninety days from the date of order of the Deputy Commissioner].

8 [Provided that the payment of interest is not applicable to instruments executed prior to 31st day of March, 2006].

(3) The Deputy Commissioner may, suo motu within two years from the date of registration of 9 [any instrument specified in sub-section (1)], not already referred to him under sub-section (1), call for and examine the instrument for the purpose of satisfying himself as to the correctness of the market value of the property which is the 7 [subject matter of any instrument specified in sub-section (1) and the duty payable thereon] and if after such examination he has reason to believe that the market value of such property has not been truly set forth in the instrument, he may determine by order the market value of such property and the duty payable thereon in accordance with the procedure provided for in sub-section (2). The difference, if any, in the amount of duty, shall be payable by the person liable to pay the duty 10 [with interest at twelve per cent per annum if he does not pay within ninety days from the date of order of the Deputy Commissioner].

Provided that nothing in this sub-section shall apply to any instrument registered before the commencement of the Karnataka Stamp (Amendment) Act, 1975.

10 [Provided further that the payment of interest is not applicable to instruments executed prior to 31st day of March, 2006].

(4) The order of the Deputy Commissioner under sub-section (2) or (3) shall be communicated to the person liable to pay the duty. A copy of every such order shall be sent to the registering officer concerned.

(5) Any person aggrieved by an order of the Deputy Commissioner under sub-section (2) or sub-section (3) may, prefer an appeal before the 11 [Deputy Inspector General of Registration of the Department of Registration and Stamps] and all such appeals shall be preferred within such time and be heard and disposed off in such manner as the State Government may by rules prescribe:

12 [Provided that no appeal shall be admitted unless the person aggrieved has deposited, in the prescribed manner, fifty per cent of the difference in the amount of duty as determined by the Deputy Commissioner under sub-section (2) or (3) :

Provided further that where after the determination of the market value by the Appellate, Authority or determined again by the Deputy Commissioner on a remand of the case the stamp duty borne is found to be sufficient, the amount deposited shall be returned to the person concerned:

13 [Provided also that such person shall pay the difference in duty along with interest at twelve per cent per annum if he does not pay within ninety days from the date of order of the Deputy Commissioner or sixty days from the date of order of the Appellate Authority, so however, the payment of interest is not applicable to instruments executed prior to eighteenth day of August 1999.]

14 [Explanation. - xxx xxx xxx.]

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1. Inserted by Act No. 12 of 1975 (1-5-1975)

2. Substituted by Act No. 24 of 1999, dated 18-8-1999

3. *Substituted by Act No. 8 of 2003, w.e.f. 1-4-2003.

*Previous Reference: any instrument of conveyance, gift, exchange settlement, partition dissolution of partnership, #[release] or an agreement to sell covered under sub-clause (i) of clause (e) and clause (f) of Article 5, a lease covered under item (iv) of sub-clause (a), item (ii) of sub-clause b), item (ii) of sub-clause (c) of clause (1) of Article 30, a power of attorney covered under clause (ea) or (eb) of Article 41 or any conveyance under a decree of final order of any Civil Court, has reason to believe,

inserted by Act No. 7 of 2000, w.e.f. 1-4-2000

4. Inserted by Act No. 7 of 2006, w.e.f. 1-4-2006

5. Substituted by Act No. 7 of 2006 for "the brackets, word, figures and letter (Article 45-A(ii)"

6. Inserted by Act No. 24 of 1999, dated 18-8-1999

7. *Substituted by Act No. 8 of 2003, w.e.f. 1-4-2003.

"Previous Reference: subject-matter of conveyance, #[exchange, gift, settlement, partition ##[dissolution of partnership, ###[release] an agreement to sell covered under sub-clause (i) of clause (e) and (f) of Article 5, a lease covered under Item (iv) of sub-clause (a), Item (ii) of sub-clause (b), Item (ii) of sub-clause (c) of clause (1) of Article 30 ####[or a power of attorney covered under clause (ea) or (eb) of Article 41 or every decree or final order of any Civil Court]] and the duty payable thereon

Substituted by Act No. 11 of 1991 (1-4-1991) for the words "exchange or gift"

Substituted by Act No. 5 of 1998, w.e.f. 1-4-1998, for the words "or dissolution of partnership"

Inserted by Act No. 7 of 2000, w.e.f. 1-4-2000

Substituted by Act No. 24 of 1999, dated 18-8-1999 for the words, brackets, letters and figures "or a power of attorney covered under clause (ea) or (eb) of Article 41"

8. Inserted by Act No. 7 of 2006, w.e.f. 1-4-2006

9. *Substituted by Act No. 8 of 2003, w.e.f. 1-4-2003.

*Previous Reference: any instrument of conveyance, #[exchange, gift, settlement, partition ##[dissolution of partnership, ###[release] an agreement to sell covered under sub-clause (i) of clause (e) and (f) of Article 5, a lease covered under Item (iv) of sub-clause (a), Item (ii) of sub-clause (b), Item (ii) of sub-clause (c) of clause (1) of Article 30 ###[or a power of attorney covered under clause (ea) or (eb) of Article 41 or every decree or final order of any Civil Court]]]________

Substituted by Act No. 11 of 1991 (1-4-1991) for the words "exchange or gift"

Substituted by Act No. 5 of 1998, w.e.f. 1-4-1998, for the words "or dissolution of partnership"

Inserted by Act No. 7 of 2000, w.e.f. 1-4-2000

Substituted by Act No. 24 of 1999, dated 18-8-1999 for the words, brackets, letters and figures "or a power of attorney covered under clause (ea) or (eb) of Article 41"

10. Inserted by Act No. 7 of 2006, w.e.f. 1-4-2006

11. Substituted by Act No. 8 of 2003, w.e.f. 1-4-2003 for the words "Divisional Commissioner of the Revenue Division"

12. Inserted by Act No. 24 of 1999, dated 18-8-1999

13. *Substituted by Act No. 8 of 2003, w.e.f. 1-4-2003.

*Previous Reference: Provided also that where after the determination of the market value of the appellate authority or by the Deputy Commissioner on a remand of the case, such person shall pay the deficient duty so determined along with interest at twelve per cent per annum on the amount of the difference of stamp duty calculated from the date of execution of the document.

14. Omitted by Act No. 6 of 1999, w.e.f. 1-14-1999

15. Inserted by the Karnataka Stamp (Third Amendment) Act, 2007 w.e.f. 01.04.2007.

16. Substituted for the brackets, words, figures and letters " 5 [(Article 45(a)(i)]" by the Karnataka Stamp (Third Amendment) Act, 2007 w.e.f. 01.04.2007.