



ABSTRACT

Registration Department – Reduction of stamp duty and registration fees in respect of instruments evidencing transfer of property regarding amalgamation or reconstruction of companies – Amendment to notification – Issued.

COMMERCIAL TAXES AND REGISTRATION (J1) DEPARTMENT

G.O.(Ms.)No.47

Dated : 19.02.2020

விகாரி, மாசி – 07

திருவள்ளூர் ஆண்டு, 2051

Read:

- 1) G.O.Ms.No.29, Commercial Taxes and Registration (J1) Department, dated 01.03.2019.
- 2) From the Inspector General of Registration, letter No.41378/P1/2019, Dated: 03.12.2019.

ORDER:

In the Government Order first read above, the Government reduced the stamp duty and registration fees in respect of instruments evidencing transfer of property regarding amalgamation or reconstruction of companies.

2. The Inspector General of Registration in the reference second read above has sent proposals to Government for giving retrospective effect from 01.04.1956 to Notification-I issued with the Government Order first read above so that all the Schemes relating to amalgamation or reconstruction of companies by the High Court or the National Company Law Tribunal, as the case may be, sanctioned hitherto shall also become eligible for the Stamp Duty reduction granted in the said Notification.

3. The Government have decided to accept the same and accordingly issue the following orders:-

- (a) The Stamp Duty reduction granted through the Notification-I of the Government Order first read above shall be given retrospective effect with effect from 01.04.1956 so that all the Schemes relating to amalgamation or reconstruction of companies by the High Court or the National Company Law Tribunal, as the case may be, sanctioned hitherto shall also become eligible for the Stamp Duty reduction granted in the said Notification:
- (b) For the purpose of calculation of Stamp Duty in respect of such schemes, the market value of the immovable property shall be reckoned as the market value set-forth in the scheme of amalgamation or reconstruction of companies or if not set-forth therein, the market value of the immovable property shall be as per the guideline register prevailing on the date of order sanctioning the scheme:
- (c) In respect of such instruments which consist of immovable property situated outside the State of Tamil Nadu, then Stamp Duty shall not be levied on the property which is situated outside the State of Tamil Nadu:
- (d) For the purpose of calculation of Stamp Duty, the market value of the shares of an unlisted company shall be reckoned as the market value set-forth in the scheme of amalgamation or reconstruction of companies or if not set-forth therein, the market value of the shares shall be the value of shares found in the audited balance sheets of the companies filed with the Registrar of Companies immediately before the date of order sanctioning the scheme:
- (e) If any other instrument is subsequently executed between the same companies under the said scheme for the sole purpose of reducing the terms of the scheme into writing and the subsequent instrument is found to be duly stamped with the duty of two percent of the market value of the immovable property or 0.6 percent of the aggregate of the market value of the shares, whichever is higher, the principal instrument of amalgamation or reconstruction shall be deemed to have been duly stamped:
- (f) If the principal instrument of amalgamation or reconstruction is found to be duly stamped with the duty of two percent of the market value of the immovable property or 0.6 percent of the aggregate of the market value of the shares, whichever is higher, any other subsequent instrument executed between the same companies under the said scheme for the sole purpose of reducing the terms of the scheme into writing, the subsequent instrument shall be deemed to have been duly stamped.

4. The Government accordingly direct that the notification appended to this order will be published in an extraordinary issue of the Tamil Nadu Government Gazette, dated 19.02.2020. The Works Manager, Government Central Press is requested to send 50 copies to the Government and 1000 copies to the Inspector General of Registration of the gazette in which the notification is published.

(BY ORDER OF THE GOVERNOR)

Ka. BALACHANDRAN
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Inspector General of Registration, Chennai-28.

The Works Manager, Government Central Press, Chennai-79.

(By Special Messenger).

The Accountant General, Chennai-18.

The Special Programme & Implementation Department, Chennai-9

Copy to:

The Law Department, Chennai-9.

Stock file / Spare copy.

// FORWARDED / BY ORDER //


SECTION OFFICER
19/2/2020

NOTIFICATION

In exercise of the powers conferred by clause (a) of sub-section (1) of section 9 of the Indian Stamp Act, 1899 (Central Act II of 1899) and in supersession of the Commercial Taxes and Registration Department Notification No.II(2)/CTR/205(j-1)/2019, published at page 1 of Part II-Section 2 of the Tamil Nadu Government Gazette Extraordinary, dated the 1st March, 2019, the Governor of Tamil Nadu, with effect on and from the 1st April 1956, hereby reduces the duty chargeable under the said Act in respect of instruments of transfer of property relating to scheme of amalgamation or reconstruction of companies to two percent of the market value of the immovable property or 0.6 percent of the aggregate of the market value of the shares, whichever is higher:

Provided that market value of the immovable property shall be the market value set-forth in the scheme of amalgamation or reconstruction of companies or if not set-forth therein, the market value of the immovable property shall be as per the guideline register prevailing on the date of order sanctioning the scheme:

Provided further that where such instrument consists of immovable property situate outside the State, such property shall not be leviable with duty:

Provided also that market value of the shares of an unlisted company shall be the market value set-forth in the scheme of amalgamation or reconstruction of companies or if not set-forth therein, the market value of the shares shall be the value of shares found in the audited balance sheets of the companies filed with the Registrar of Companies immediately before the date of order sanctioning the scheme:

Provided also that if any other instrument is subsequently executed between the same companies under the said scheme for the sole purpose of reducing the terms of the scheme into writing and the subsequent instrument is found to be duly stamped with the duty of two percent of the market value of the immovable property or 0.6 percent of the aggregate of the market value of the shares, whichever is higher, the principal instrument of amalgamation or reconstruction shall be deemed to have been duly stamped:

Provided also that if the principal instrument of amalgamation or reconstruction is found to be duly stamped with the duty of two percent of the market value of the immovable property or 0.6 percent of the aggregate of the market value of the shares, whichever is higher, any other subsequent instrument executed between the same companies under the said scheme for the sole purpose of reducing the terms of the scheme into writing, the subsequent instrument shall be deemed to have been duly stamped.

Ka. BALACHANDRAN
PRINCIPAL SECRETARY TO GOVERNMENT

// FORWARDED / BY ORDER //


SECTION OFFICER
19/2/2020