247

PROCEEDINGS OF THE CHIEF CONTROLLING REVENUE AUTHORITY AND INSPECTOR GENERAL OF REGISTRATION
CHENNAI - 600 028.

Present: Thiru. J.Kumaragurubaran, I.A.S.,

D.Dis.No. 36115/P1/2018 dated 27.08.2018

Sub: Revision Petition– Document No.P247/2017 – Sub Registrar Office, Tiruvottriyur, - Revision Petition filed under section 56(1) of the Indian Stamp Act, 1899 – final orders issued – regarding

Ref: 1. District Registrar, Chennai (North) Proceedings No.4350/B1/2018 dated.23.07.2018
2. Revision Petition dated 06.08.2018 from M/s. Sri Sathya Sai Central Trust.

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ORDER:

The Revision Petition 2nd cited has been filed before the Chief Controlling Revenue Authority, under section 56(1) of the Indian Stamp Act, 1899, against the order 1st cited, passed by the District Registrar, Chennai (North), thereby demanding payment of deficit stamp duty of Rs. Rs.55,241/- together with penalty of Rs.2259/- in respect of the instrument in question.

2) Gist of the instrument: -

Document No.	P247/2017 Sub Registrar Office, Tiruvottriyur
Title of the Document	GIFT DEED
Date of Execution/Presentation	16.02.2017/09.03.2017
Executant	Mrs.K.Nageswari
Claimant	Sri Sathya Sai Central Trust.
Value set-forth in the document	Rs.18,44,700/-
Stamp borne by the document	Rs.73,888/-
Nature of document and deficit stamp duty determined by the District Registrar	Article 58(a) (ii) of the Indian Stamp Act, 1899 Deficit Stamp Duty Rs.55,241/- + Penalty Rs.2259/_

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3) Brief facts relating to revision petition are as follows:

The document in question titled as 'GIFT DEED' has been executed for the purpose of donating all the piece and parcel of the house, ground and premises bearing plot No.2395 in E.W.S.-B, Tamil Nadu Housing Board Scheme (MMDA), Mathur village. The parties to the document have stamped the document with stamp duty of Rs.73,888/- i.e. by paying stamp duty under Article 58 (a) (ii) of the Indian Stamp Act, 1899 read with Sl.No.47 of G.O.Ms.No.1224, Revenue Department dated 25.04.1964 and G.O.Ms.No.224, Commercial Taxes Department dated 11.12.2003 thereby claiming 50% stamp duty concession.

However the Registering officer under the impression that the document in question is ineligible for stamp duty concession, owing to the reason that there are no evidence as to the existence of approval of the beneficiary Trust under section 80-G of the Income Tax Act, 1961 as mandated under the aforesaid Government orders, impounded the document holding the same as deficiently stamped. Upon transmission of the document for further action, the District Registrar, Chennai (North) in her proceedings 2nd cited concluded as follows:

i) In G.O.Ms.No.224, Commercial Taxes Department dated 11.12.2003, there is no mention about stamp duty concession to a Trust.

ii) On a perusal of the Official Website of the Income Tax department, there are no records to prove that the approval granted under section 80-G of the Income Tax Act, 1961 in the year 2010 is still in currency.

iii) There is no mention about the purpose of the donation of property i.e., charitable purpose of the donation is not articulated in the document.

Based on above findings, the District Registrar held that the document is ineligible for exemption under G.O.Ms.No.1224, Revenue Department dated 25.04.1964 read with G.O.Ms.No.224, Commercial Taxes Department dated 11.12.2003. Aggrieved over the same the present revision petition has been filed before this Authority.

4) During the course of personal hearing held on 20.08.2018, the Revision Petitioner reiterated the following arguments advanced in their revision petition:

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a) The approval under section 80-G of the Income Tax Act, 1961 granted to the Trust is still in force as per the details available in the official website of the Income Tax Department.

b) Charitable purpose for which the Gift is given has been clearly mentioned in the deed itself.

Further the Revision Petitioner produced the letter bearing No.Accts/718/30/88/CIT-II, dated 27.06.1988 issued by the Commissioner of Income Tax, Karnataka wherein renewal of recognition under section 80-G of the Income Tax Act, 1961 has been granted with effect from 01.07.1988.

5) The contents of the Revision Petition, connected records and arguments advanced by the Revision Petitioner have been carefully examined.

G.O.Ms.No.1224, Revenue Department dated 25.04.1964 read with G.O.Ms.No.224, Commercial Taxes Department dated 11.12.2003 provides that 'All gifts or settlements for charitable or religious purposes stamp duty shall be reduced to one half the duty leviable on such instruments subject to a condition that above concession will apply only in cases where the donee society or Trust is approved under section 80G of the Income Tax Act, 1961.

a) On perusal of the original file of the District Registrar, it is found that in the Director of Income Tax (Exemptions)-3, Bangalore letter bearing No.DIT(E/80g(R)/AABTS4384C/ITO(E)-3/2010-11 dated 21.09.2010 it has been stated that in view of amendment made to section 80G(5)(vi) of the Income Tax Act, 1961 through Finance Act No.2 of 2009, the question of renewal of certificate issued under section 80G of the said Act is not needed and the same will be valid until it is rescinded.

b) On a perusal of official website of the Income Tax department it is revealed that the approval granted to Sri Sathya Sai Central Trust bearing Permanent Account Number AABTS4384C under section 80G of the Income Tax Act which was lastly renewed on 21.09.2010 is still in currency as the same has not been rescinded by the Income Tax Department.

c) In page 4 of the document in question in clause No.5, it has been recited as follows:

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"5. That the Donor has not received any consideration and the transfer is made only out of regard and devotion with a charitable intention for the purpose for which the Donee trust has been formed".

Thus contrary to the findings of the District Registrar, the above facts and evidences abundantly make it clear that the approval granted to the Trust under section 80G of the Income Tax Act is still currency and also that the purpose of the donation of property i.e., charitable purpose of the donation has been clearly articulated in the document.

Based on the above decision, it is concluded that the document in question is eligible for stamp duty concession under G.O.Ms.No.1224, Revenue Department dated 25.04.1964 read with G.O.Ms.No.224, Commercial Taxes Department dated 11.12.2003 and as such the order passed by the District Registrar, Chennai (North) is set aside and revision petition is allowed.

27/8/18

Inspector General of Registration

27.8.18

3/3

To,

1. The District Registrar (Administration),
   (AIG Cadre), Chennai (North)
   (With Original file)

2. M/s. Sri Sathya Sai Central Trust,
   No.7, Sundaram Salai,
   R.A.Puram, Chennai – 600 028.

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