

Stamp (Sindh Amendment) Ordinance, 2002.

The Stamp (Sindh Amendment) Ordinance 2002,

Sindh Ordinance No. XVIII of 2002

AN

ORDINANCE

to amend the Stamp Act, 1899, in its application to the Province of Sindh.

Preamble

WHEREAS, it is expedient to amend the Stamp Act, 1899, in its application to the Province of Sindh, in the manner hereinafter appearing.

AND WHEREAS, the Provincial Assembly stands dissolved in pursuance of the Proclamation of the fourteenth day of October, 1999, and the Provincial Constitution Order No.1 of 1999.

AND WHEREAS, the Governor of Sindh is satisfied that circumstances exist which render it necessary to take immediate action.

NOW, THEREFORE, in pursuance of the aforesaid Proclamation and the Provisional Constitution Order read with Provisional Constitution (Amendment) Order No. 9 of 1999, and in exercise of all powers enabling him in that behalf, the Governor of Sindh is pleased to make and promulgate the following Ordinance: -

1. Short title and commencement. – (1) This Ordinance may be called the Stamp (Sindh Amendment) Ordinance, 2002.

(2) It shall come into force at once.

2. Amendments of Act II of 1899. – In the Stamp Act, 1899, in its application to the Province of Sindh-

(i) in section 23-A, for the word and figure "Article 5 (c)", the word and figure "Article 3 (e)", shall be substituted;

(ii) in section 24, for the word and figure "Article 18", the word and figure "Article 11", shall be substituted;

(iii) in sections 27-A and 27-B (inserted by Sindh Ordinance VII of 2000), for the word and figure "Article 23", the word and figure "Article 16" and for the word and figure "Article 31", the word and figure "Article 18", shall be substituted;

(iv) in section 27-B (inserted by Sindh Ordinance VII of 2002), for the word and figure "Article 33", the word and figure "Article 20", shall be substituted;

(v) the existing section 27-B (inserted by Sindh Ordinance XV of 2002) shall be renumbered as section 27-C and in the section so renumbered for the word and figure "Article 48", the word and figure "Article 27", shall be substituted;

(vi) in Section 29, in clause (a)-

(i) the words, figure and comma "No.2 (administration Bond)," shall be omitted;

(ii) for the figure "6", the figure "19", for the figure "13", the figure "8", for the figures "15, 16, 26, 27, 34, 56 and 57", the figure "10", for the figures "32 and 40", the figure "23", for the figure "49", the figure "28", for the figure "55", the figure "29", for the figure "58", the figure "30" and for the figure "62", the figure "31", shall be substituted;

(vii) for the word and figure "Schedule I" wherever occurring, the word "Schedule" shall be substituted; and

(viii) for the existing Schedule I, the following shall be substituted.

"SCHEDULE"

(see section 3)

STAMP DUTY ON INSTRUMENTS

DESCRIPTION OF INSTRUMENT

PROPER STAMP DUTY.

1. Acknowledgement of a debt written or signed by, or on behalf of, a debtor in order to supply evidence of such debt in any book other than a banker's pass-book or on separated piece of paper when such book or paper is left in the creditor's possession where acknowledgement does not contain any promise to pay the debt or any stipulation to pay the interest or to deliver any goods, other property, or

Receipt, as defined by section 2 (23) for any money or other property the amount or value of which -

(a) where such amount exceeds one hundred and sixty rupees but does not exceed five hundred rupees; (b) where such amount exceeds five hundred rupees.

One rupee.

Two rupees.

EXEMPTIONS.

Receipts -

(a) endorsed on or contained in any instrument duly stamped or any instrument exempted under the proviso to section 3 (instruments executed on behalf of the Government) or any cheque or bill of exchange, payable on demand acknowledging the receipt of the consideration money therein expressed, or the receipt of any principal-money, interest or annuity, or other periodical payment thereby secured;

(b) for any payment of money without consideration;

(c) for any payment of rent by a cultivator on account of land assessed to Government revenue;

(d) for pay or allowances by non-commissioned or petty officers, soldiers, sailors or airmen of the armed forces of Pakistan/Pakistan's military naval or air forces, when serving in such capacity, or by mounted police constables;

(e) given by holders of family certificates in cases where the person from whose pay or allowances the sum comprised in the receipt has been assigned as a non-commissioned or petty office, soldier, sailor or airmen, or any of the said forces and serving in such capacity;

(f) for pensions or allowances by persons receiving such pensions or allowances in respect of their services as such, non-commissioned or petty officers, soldiers, sailors or airmen, and not serving the State in any other capacity;

(g) given by a headman or lambardar for land-revenue or taxes collected by him;

(h) given for money or securities for money deposited in the hands of any banker to be accounted for;

Provided that the same is not expressed to be received of, or by the hands of, any other than the person to whom the same is to be accounted for;

Provided also that this exemption shall not extend to receipt or acknowledgement for any sum paid or deposited for, or upon a letter of allotment of a share, or in respect of a call upon any script or share of, or in, any incorporated company or other body corporate or such proposed or intended company or body in respect of a debenture being a marketable security.

2. Affidavit, including an affirmation or declaration in the case of persons by law allowed to affirm or declare instead of searing.

Twenty Rupees

EXEMPTIONS.

Affidavit or declaration in writing when made:

(a) as a condition of enrolment under the Indian Army Act, 1911, or the Pakistan Army Act, 1952 or the Indian Air Force Act, 1932, or the Pakistan Air Force Act, 1953;

(b) for the immediate purpose of being filed or used in any Court or before the office of any Court; or

(c) for the sole purpose of enabling person to receive any pension or charitable allowance.

3. Agreement or Memorandum of an Agreement -

(a) if relating to the sale or transfer of a registered motor vehicle;

One Hundred Rupees

(b) if relating to the sale of an immovable property;

One Hundred Rupees

(c) if relating to the re-conveyance of mortgaged property;

One Hundred Rupees

(d) if relating to the instrument of partnership or dissolution of partnership;

five hundred rupees.

(e) if not otherwise provided for.

Fifty Rupees

4. Allotment Order or Transfer of Allotment Order, issued by a developer, builder, co-operative society, housing society or housing authority, or any other body or organization providing plots, dwelling houses or built up commercial premises;

(i) in respect of residential plots;

(a) exceeding 200 sq. yards, but not exceeding 240 sq. yards; (b) exceeding 240 sq. yards, exceeding 400 sq. yards;

(c) exceeding 400 sq. yards;

Eight rupees per sq. yard. Ten rupees per sq. yard.

Twenty rupees per sq. yard.

(ii) in respect of commercial plots;

Twenty rupees per sq. yard.

(iii) in respect of flats having covered area exceeding 1500 sq. ft.;

One rupee per sq. ft.

(iv) in respect of bungalows and residential houses;

Five rupees per sq. yard.

(v) in respect of built-up commercial premises.

Three rupees per sq. ft.

Explanation: The expression "developer" and "builder" shall have the same meanings as are assigned to them in the Sindh Buildings Control Ordinance, 1979.

5. (1) Articles of Association of a Company-

(a) where the company has share capital not exceeding Rs.500,000; (b) where the share capital exceeds Rs.500,000.

One thousand rupees.

Two thousand rupees.

(2) Memorandum of Association of a Company -

(a) if accompanied by articles of association under Companies Ordinance, 1984; (b) if not so accompanied.

One thousand rupees.

Two thousand rupees.

EXEMPTIONS.

Articles or Memorandum of Association not formed for profit and registered under Section 42 of the Companies Ordinance, 1984.

6. Bank Guarantee.

Fifty rupees for every One Lac rupees of the amount of the guarantee.

7. Bill of Entry.

Four hundred rupees

8. Bill of Exchange as defined by section 2 (2) not being Bond, bank note or currency note; (a) where payable otherwise than on demand but not more than one year after date or sight.

If drawn singly

if drawn in set of two for each part of the set

if drawn in set of three, for each part of the set

Rs.200

Re.1.50

Re.1.00

(a) where payable more than one year after date or sight.

2.25 percent of the amount of the bill.

9. Bill of Lading (including a through bill of lading).

Ten rupees for every one lac rupees or part thereof the value of the bill subject to minimum of one hundred rupees.

Note – If a bill of lading is drawn in parts, the proper stamps therefore must be borne by each one of the sets.

EXEMPTIONS.

(a) Bill of lading when the goods therein described are received at a place within the limits of any port as defined under the Ports Act, 1908, and are to be delivered at another place within the limits of the same port.

(b) Bill of lading when executed out of Pakistan and relating to property to be delivered in Pakistan.

10. Bond -

(A) Indemnity Bond, Security Bond or Mortgage Deed, executed by way of security for the due execution of an office, or to account for money or other property received by virtue thereof or executed in favour of a Court for the due discharge of a contingent liability or executed by surety to secure the due performance of a contract.

One hundred rupees.

EXEMPTIONS.

Bond or other instrument, when executed —

(a) by any person for the purpose of guaranteeing that the local income derived from private subscriptions to a charitable dispensary or hospital or any other object of public utility shall not be less than a specified sum per mensem;

(b) under No.3-A of the rules made by the Provincial Government under section 70 of the Sindh Irrigation Act, 1879;

(c) executed by persons taking advances under the Land Improvement Loans Act, 1883, or the West Pakistan Agricultural Loans Act, 1958, or by their sureties, as security for repayment of such advances;

(d) executed by servants of the State or their sureties to secure the due execution of an office or the due accounting for money or other property received by virtue thereof.

(B) Customs Bond

Five hundred rupees.

(C) Debenture including a Participation Term Certificate and Term Finance Certificate (whether a mortgage debenture or not), being a marketable security transferable.

6 percent of the amount of the Debenture.

Explanation. – The term "Debenture" includes any interest coupons attached thereto, but the amount of such coupons shall not be included in estimating the duty.

EXEMPTION.

A debenture issued by an incorporated company or other body corporate in terms of a registered mortgage-deed, duly stamped in respect of the full amount of debentures to be issued there under, whereby the company or body borrowing makes over, in whole or in part, their property to trustees for the benefit of the debenture holders, provided that the debentures so issued are expressed to be issued in terms of the said mortgage-deed.

(D) Bottomry Bond, that is to say, any instrument whereby the master of a seagoing ship borrows money on the security of the ship to enable him to preserve the ship or prosecute her voyage;

4.5 percent of the amount of the bond.

(E) Respondentia Bond, that is to say, any instrument securing a loan on the cargo laden or to be laden on board a ship and making repayment contingent on the arrival of the cargo at the port of destination.

4.5 percent of the amount of the bond.

(F) Any bond not otherwise provided for.

4.5 percent of the amount of the bond.

11. Certificate of Sale (in respect of each property put up as a separate lot and sold) granted to the purchaser of any property sold by public auction by a Civil, or Revenue Court, or Collector or other Revenue Officer.

5 percent of the amount of purchase money only.

12. Certificate or other document evidencing the right or title of the holder thereof or any other person, either to any shares, scrip or stock in or of any incorporated company or other body corporate, or to become proprietor of shares, scrip or stock in or any such company or body.

0.25 percent of the face value of shares mentioned in the certificate subject to a minimum of one rupees.

13. Charter Party, that is to say, any instrument (except an agreement for the hire of a tug-steamer) whereby a vessel or some specified principal part thereof is let for the specified purposes of the charterer, whether it includes a penalty clause or not.

One hundred rupees for every one lac rupees or part thereof of the value of the charter party.

14. Cheque, Pay Order or Bank Draft

One Rupee

15. Contract -

(a) that is to say, any instrument in the nature of memorandum or agreement made or entered into by a contractor with Government, a corporation, local body, local authority, commercial or industrial concern, whether singly owned or run through partnership, body registered under the Company Law, a cooperative society or any other organization to execute any works or to supply or to undertake cartage of stores and materials and to provide engineering consultancy services or any other services covered under above documents including a purchase order, work order, cargo bill, a railway ticket of ACC, a running rate contract and other levies and taxes pertaining to local bodies.

Twenty paisa for every hundred rupees of part thereof of the amount of the contract.

(b) Airline Ticket -

(a) Domestic

Twenty five rupees

(ii) International.

Two hundred fifty rupees.

Explanation:

(a) In case of agreement wherein the amount of the purchases or services are not specified, the stamp duty shall be calculated based on the annual value of the contract or if the contract is for lesser period, then for such lesser period;

(b) In case the actual value is not available then the estimated annual value of the contract may be taken for the calculation of the stamp duty.

16. Conveyance as defined by section 2 (10) not being a Transfer charged or exempted under No.31, and includes Transfer of Lease by way of assignment and not by way of under-lease.

5 percent of the value of the property.

Explanation:

For the purpose of clause (a) "urban area" means

(i) an area specified by Government under section 3 of the Sindh Urban Immovable Property Tax Act, 1958; or

(ii) any built up area together with the land appurtenant thereto or the area occupied as a building site or enclosure and notified by Government to be an urban area.

EXEMPTIONS.

Assignment of copyright by entry made under the Copy-right Act, 914, section 5.

17. Counterpart or Duplicate of any instrument chargeable with duty and in respect of which the proper duty has been paid.

One hundred rupees.

EXEMPTIONS.

Counterpart of any lease granted to cultivator when such lease is exempted from duty.

18. Exchange of property – Instrument of -

5 percent of the value of the property.

19. Financing document, that is to say, any instrument in the nature of sale and re-purchase on mark-up basis, agreement or letter of hypothecation or pledge, mortgage, memorandum of deposit of title deed, or deed of floating charge executed in favour of a banking company by nay of its customers under any mode of finance not based on interest -

0.2 percent of the amount of finance provided and mentioned in the document.

20. (a) (i) Gift-Instrument of, not being settlement (No.30) or will or transfer (No. 31); (ii) Affidavit or declaration in writing to confirm an oral gift made in favour of a person other than a legal heir;

5 percent of the value of the property as determined in accordance with the valuation table.

(b) Affidavit or declaration in writing to confirm an oral gift made in favour of a legal heir.

One-fourth of the duty determined under clause (a) above.

21. Lease, including an under-lease or sub-lease, an agreement to let or sub-let and the surrender of a lease;

(i) where the lease relates to flats, shops, offices, town houses and bungalows, together with the right in the undivided share of the plot and where the value thereof determined in accordance with the valuation table under section 27-A.

(a) if does not exceed five lac rupees.

Nil

(b) if exceeds five lac rupees but does not exceed ten lac rupees.

5 percent for a consideration equal to one-twentieth of such value determined in accordance with the valuation table.

(c) if exceeds ten lac rupees but does not exceed ten lac rupees.

5 percent for a consideration equal to one-tenth of such value determined in accordance with the valuation table.

(ii) in any other case.

One percent of the total amount of the rent payable under the lease including advance rent, if any, payable under the lease and two percent on the amount of premium, if any,

(a) if the amount of Letter of Credit does not exceed Rs. 50,000:

One hundred rupees.

(b) if the amount exceeds Rs. 50,000 but does not exceed Rs. 500,000:

Two hundred rupees.

(c) for any amount exceeding Rs. 500,000.

Five hundred rupees.

23. Mortgage-deed or a deed of further charge not being an Agreement relating to Deposit of Title Deeds, pawn or pledge (No. 19), Bottomry bond (No. 16), Financing document (No. 19), Respondentia bond (No. 10), or Security bond (No. 10).

(a) when possession of the property or any part of the property comprised in such deed is given by the mortgagor or agreed to be given;

5 percent of the amount secured by such deed.

(b) when possession is not given or agreed to be given as aforesaid:

4.5 percent of the amount secured by such deed.

Explanation: A mortgagor who gives to the mortgagee power of attorney to collect rents or a lease of the property mortgaged or part thereof, is deemed to give possession within the meaning of this article.

(c) when a collateral or auxiliary or additional or substituted security, or by way of further assurance for the above-mentioned purposes where the principal or primary security is duly stamped—

for every sum secured not exceeding Rs. 1,000;

and for every Rs. 1000 or part thereof secured in excess of Rs. 1000.

Fifteen rupees.

Fifteen rupees.

(d) hypothecation of moveable property not based on interest.

0.2 percent of the amount of the loan or finance mentioned in the document.

EXEMPTIONS

(1) instruments, executed by persons taking advances under the Land Improvement Loans act, 1883, or the West Pakistan Agriculturists Loan, 1951 or by their sureties as security for the repayment of such advances.

(2) Letter of hypothecation accompanying a Bill of Exchange.

24. Notarial Act, that is to say, any instrument endorsement, note, attestation, certificate or entry made or signed by a Notary Public in the execution of the duties of his office, or by any other person lawfully acting as a Notary Public.

Five rupees.

25. Partition-Instrument of [as defined by section 2(15)]

4.5 percent of the value of the separated share or shares of the property.

Explanation: The largest share remaining after the property is partitioned (or if there are two or more shares of equal value and not smaller than any of the other shares, then one of such equal shares) shall be deemed to be that from which other shares are separated;

Provided always that

(a) when an instrument of partition containing an agreement to divide property in severality is executed and a partition is effected in pursuance of such agreement, the duty chargeable upon the instrument affecting such partition shall be reduced by the amount of duty paid in respect of the first instrument but shall not be less than four rupees;

(b) when land is held on Revenue Settlement for a period not exceeding thirty years and paying the full assessment, the value for purpose of duty shall be calculated at not more than five times the annual revenue;

(c) where a final order for effecting a partition passed by and Revenue authority or any Civil Court, or an award by an arbitrator directing a partition, is stamped with the stamp required for an instrument of partition in pursuance of such order or award is subsequently executed, the duty on such instrument shall not exceed four rupees.

26. Policy of Insurance

A. Sea Insurance (See Section 7), and Policy by Air.

(1) For each voyage—

if drawn singly.

if drawn in duplicated for each

Part. (i) where the premium or consideration does not exceed the rate of 1/8 percent of the amount insured by the policy; for every full sum of Rs. 5,000 and also any fractional parts thereof insured by the policy;

Thirty paisa.

Fifteen paisa.

(ii) in any other case, in respect of every full sum of Rs. 2000 and also any fractional part thereof insured by the policy.

Fifty paisa.

Twenty Five paisa.

(2) For time—

In respect of every full sum of Rs. 2,000 or part thereof insured by the policy.

Ninety paise.

Forty Five paise.

(ii) where the insurance shall be made for any time exceeding six months and not exceeding twelve months.

One rupee Eight paise.

Ninety paise.

B Fire— Insurance and Other Classes of Insurance, not Elsewhere Included in this Article, Covering Goods, Merchandise, Personal Effects, Crops and other Property Against Loss or Damage—

(ii) in any other case.

Twenty rupees.

(2) in respect of each receipt for any payment of a premium on any renewal of an original policy.

One half of the duty payable in respect of the original policy in addition to the amount if any, chargeable under No. 53.

C. Accident and Sickness. Insurance-

(a) Against railway accident, valid for a single journey only.

Fifteen paise.

Where issued to a passenger traveling by the intermediate or the third class in any railway.

(b) In any other case for the maximum amount which may become payable in the case of any single accident or sickness where such amount does not exceed Rs. 2,000 and also where such amount exceeds Rs. 2,000, for every Rs. 2,000 or part thereof.

Seventy-Five paise Provided that in case of a policy of insurance against death by accident When the annual premium payable does not exceed Rs. 2.50 per Rs. 1,000 the duty on such instrument shall be five paise for every Rs. 1,000 or part thereof the maximum amount which may become payable under it.

D. Insurance by way of Indemnity-

Against liability to pay damages on account of accident to workman employed by or under or against liability to pay compensation under the Workmen's Compensation Act, 1923, for every Rs. 100 or part thereof payable as premium.

Fifteen paisa.

E. Life Insurance or other Insurance not Specially Provided for except such Re-Insurance as is described in Division of this article-

If drawn singly

If drawn in duplicate for each part.

(i) for every sum insured not exceeding Rs. 250;

Thirty paisa.

Fifteen paisa.

(ii) for every sum insured exceeding Rs. 250 but not exceeding Rs. 500.

Sixty paisa

Thirty paisa.

(iii) for every sum insured exceeding Rs. 500 but not exceeding Rs. 1,000 and also for every Rs. 1,000 or part thereof, in excess of Rs. 1,000.

One rupee twenty paisa

Sixty paisa.

EXEMPTIONS.

Policies of life insurance granted by the Director General of Post-Offices in accordance with rules for Postal Life Insurance issued under the authority of the Central Government.

F. Re-Insurance by an Insurance Company which has Granted a policy of the nature specified in division A or division B of this article with another Company by way of Indemnity or Guarantee against Payment on the Original Insurance of a certain part of the sum Insured thereby.

One half of the duty payable in respect of the original insurance but not less than five paisa or more then one rupee.

GENERAL EXEMPTIONS Letter of cover or engagement to issue a policy of insurance.

Provided that, unless such letter or engagement bears the stamp prescribed by this Act for such policy nothing shall be claimable thereunder, nor shall it be available for any purpose, except to compel the delivery of the policy therein mentioned.

27. Power of Attorney as defined by section 2(21)-

(a) when executed for the sole purpose of procuring the registration of one or more documents in relation to a single transaction or for admitting execution of one or more such document.

Twenty five rupees.

(b) when authorizing one person or more to act in a single transaction other than the case mentioned in clause (a), (e) and (ee).

One hundred rupees.

(c) when authorizing not more than five persons to act jointly and severally in more than one transaction or generally; other than the case mentioned in clauses (a), (e) and (ee).

Two hundred rupees.

(d) when authorizing more than five but not more than ten persons to act jointly and severally in more than one transaction or generally; other than the case mentioned in clause (a), (e) and (ee).

Five hundred rupees.

(e) when given for consideration and authorizing the attorney to sell any immovable property;

5. percent of the value of the property.

(ee) when given not for consideration and authorizing the Attorney to sell any immovable property.

Two thousand five hundred rupees.

(eee) when given not for consideration and authorizing the attorney generally to sell immovable property except Pakistanis residing Overseas, who shall be charged at the rate mentioned against (ee).

Five thousand rupees.

(f) In any other case.

Ten rupees for each person authorized.

Explanation 1: For the purposes of this Article more persons than one when belonging to the same firm shall be deemed to be one person.

Explanation 2: The term "Registration" includes every operation incidental to registration under the Registration Act, 1908.

28. Promissory Note as defined by section 2(22) —

(a) when payable on demand—

(i) when the amount or value does not exceed two hundred fifty thousand rupees;

Fifty rupees.

(ii) when the amount exceeds two hundred fifty thousand rupees.

One hundred rupees.

(b) when payable otherwise than on demand.

0.2 percent of the amount payable otherwise than on demand.

29. Release, that is to say, any instrument (not being such a release as is provided for by section 23-A) whereby a person renounces a claim upon another person or against any specified property—

0.2 percent of the value of property determined in accordance with the valuation table.

30. Settlement—

A — Instrument of (including a deed of dower)

(i) where the settlement is made for a religious or charitable purpose.

4.5 percent of the value of property settled.

(ii) in any other case.

5 percent of the value of property settled.

Provided that, where an agreement to settle is stamped with the stamp required for an instrument of settlement, and an instrument of settlement in pursuance of such agreement is subsequently executed, the duty on such instrument shall not exceed four rupees; Provided further that, where an instrument of settlement contains any provision for the revocation of the settlement, the amount or value of the property settled shall, for the purposes of duty, be determined as if no such provisions were contained in the instrument.

EXEMPTIONS.

Deed of dower executed on the occasion of marriage between Muslims.

B—Revocation of-

5 percent of the value of the property concerned, as set forth in the instrument of Revocation but not exceeding fifty rupees.

31. Transfer (whereafter with or without consideration—

(a) of shares in an incorporated company or other body corporate;

1.5 percent of the face value of shares subject to a minimum of one rupee; provided in the case of shares transferred to or through the Central Depository Company the duty shall be 0.10 percent of the face value of shares.

(b) of debentures being marketable securities whether debenture is liable to duty or not except debentures provided for by section 8.

3 percent of the face value of debentures subject to a minimum of two rupees.

(c) of any interest secured by a bond, mortgage – deed or policy of insurance—

(i) if the duty on such bond, mortgage-deed, or policy does not exceed twenty rupees;

The duty with which such bond, mortgage-deed or policy of insurance is chargeable.

(ii) in any other case.

Thirty rupees.

(d) of any property under the Administrator-General's Act, 1913, section 31;

Thirty rupees.

(e) of any trust-property without consideration from one trustee to another trustee or from a trustee to a beneficiary.

Twenty rupees or such smaller amount as may be chargeable under clause (a) to (c) of this Article.

EXEMPTIONS

Transfers by endorsement—

(a) of a bill of exchange, cheque or promissory note;

(b) of a bill of lading, delivery order, warrant for goods, or other mercantile document of title to goods:

(c) of a policy of insurance;
(d) of securities of the Central Government.

Karachi

Dated the

Sd/-
(Muhammad Mian Soomro)
(Governor of Sindh)