

CONFIDENTIAL

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PROVINCIAL ASSEMBLY OF THE PUNJAB REPORT OF THE STANDING COMMITTEE ON REVENUE, RELIEF AND CONSOLIDATION REGARDING THE STAMP (AMENDMENT) BILL 2015 (BILL NO. 27 OF 2015)

The Stamp (Amendment) Bill 2015 (Bill No.27 of 2015) was referred to the Standing Committee on Revenue, Relief and Consolidation on 22 May 2015. The Committee considered the bill in its meeting held on 4 June 2015.

2. The following were present:-

1.	Mr Bilal Akbar Bhatti, MPA (PP-235)	Chairman
2.	Choudhary Zahid Akram, MPA (PP-282) Parliamentary Secretary for Colonies	Member
3.	Pir Ghulam Fareed, MPA (PP-95)	Member
4.	Mian Muhammad Shoaib Awaisi, MPA (PP-270)	Member

3. Mr Muzaffar Mehmood, Member (Colony), Board of Revenue, Punjab and Mr Mohsin Bukhari, Deputy Director, Law and Parliamentary Affairs Department represented their Departments. Hafiz Muhammad Shafiq Adil, Special Secretary, Provincial Assembly of the Punjab functioned as Secretary to the Committee.

4. Mr Muzaffar Mehmood, Member (Colony), Board of Revenue apprised the Committee about the bill. He stated that under the existing provisions of the Stamp Act, 1899, all duties with which any instruments were chargeable were indicated as stamps. The rates of stamp duty on instruments were given in Schedule I to the Act. He further stated that Stamps under the Act were of two types namely adhesive stamps and impressed stamps. These were non-judicial stamps. Judicial stamps were used for payment of court fee under the Court Fee Act, 1870. It had been observed that leakages in stamp duty result due to availability and use of fake stamps prepared by criminals. He said that the Electronic Transactions Ordinance, 2002, inter alia, had provided that notwithstanding anything contained in the Stamp Act, 1899, for a period of two years from the date of commencement of this Ordinance or till the time the Provincial Governments devise and implement appropriate measures for payment and recovery of stamp duty through electronic means, whichever was later, stamp duty would not be payable in respect of any instrument executed in electronic form. Therefore, in order to cope with leakages of stamp duty through use of fake stamp papers and also to facilitating

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public at large, the Government had decided to launch e-stamping under which electronically generated stamp paper would be issued to the public after deposit of amount of proper stamp duty in banks authorized by Government. Initially, only non-judicial e-stamps would be issued on paper of good quality, bar coded with security features and containing unique ID of parties to the instrument. The scheme would be introduced through pilot projects in a few districts of the Punjab. In view of the forgoing details, amendments were required to be brought about in the Stamps Act, 1899. He requested the Committee that the bill, as introduced, may be recommended for passage by the Assembly.

5. The Committee after hearing the Members, having the view point of the Administrative Department as well as Law & Parliamentary Affairs Department and discussing various points, unanimously decided to recommend that the bill may be passed by the Assembly subject to the following amendments:-

AMENDMENTS IN THE BILL

PREAMBLE

- (i) the word "Whereas" occurring at the beginning be omitted and the word "it" be substituted by the word "It"; and
- (ii) the words "it is enacted as follows" be substituted by the words "Be it enacted by the Provincial Assembly of the Punjab as follows".

6. A copy of the bill as introduced in the Assembly is at Annexure-A and a copy of the bill as recommended by the Committee is at Annexure-B.

Lahore
4 June 2015

(BILAL AKBAR BHATTI)
Chairman
Standing Committee on Revenue, Relief and Consolidation

Lahore
4 June 2015

Mumtaz Hussain
(RAI MUMTAZ HUSSAIN BABAR)
Secretary

(BILL AS INTRODUCED IN THE ASSEMBLY)

PROVINCIAL ASSEMBLY OF THE PUNJAB**Bill No. 27 of 2015****THE STAMP (AMENDMENT) BILL 2015****A
BILL***further to amend the Stamp Act, 1899.*

Whereas it is expedient further to amend the Stamp Act, 1899 (II of 1899) for purposes hereinafter appearing;

It is enacted as follows:

1. **Short title and commencement.**– (1) This Act may be cited as the Stamp (Amendment) Act 2015.
 (2) It shall come into force on such date as the Government may, by notification, appoint and different dates may be appointed for coming into force of the provisions of this Act in different local areas.
2. **Amendment in section 2 of Act II of 1899.**– In the Stamp Act, 1899 (II of 1899), hereinafter referred to as the said Act, in section 2:
 - (a) for clause (11), the following shall be substituted:
 “(11) “duly stamped” means affixation of an adhesive or impressed stamp or e-stamp of not less than the requisite amount and that the stamp has been legally affixed, used or electronically generated;”
 - (b) after clause (11), the following clause (11A) shall be inserted:
 “(11A) “e-stamp” means a paper printed or partially printed containing a bar code or having any of its unique identification code and such other information, as may be specified by the rules, to be generated and printed, on deposit of money equivalent to chargeable stamp duty in the account of the Government;”
 - (c) for clause (13), the following shall be substituted:
 “(13) “impressed stamp” includes–
 (a) the label affixed and impressed by the proper officer;
 (b) the stamp embossed or engraved on a stamp paper; and
 (c) an e-stamp.”; and
 - (d) in clause (14), after the word “recorded”, the words “and includes any instrument executed in electronic form” shall be inserted.
3. **Amendment in section 10 of Act II of 1899.**– In the said Act, in section 10:
 - (a) in subsection (1), after the word “stamps”, the words “or e-stamps” shall be inserted; and
 - (b) in subsection (2), in clause (a), after the word “stamps”, the words “or e-stamps” shall be inserted.
4. **Insertion of section 32A in Act II of 1899.**– After section 32, the following section 32A shall be inserted:

“32A. Certificate of designated officer.— An officer designated by the Government shall, by notification in the official Gazette, issue a certificate as to genuineness or otherwise of an e-stamp for the purpose of evidence in a legal proceedings.”

STATEMENT OF OBJECTS AND REASONS

Under the existing provisions of the Stamp Act, 1899, all duties with which any instruments are chargeable are indicated as stamps. The rates of stamp duty on instruments are given in Schedule I to the Act. Stamps under the Act are of two types namely adhesive stamps and impressed stamps. These are non-judicial stamps. Judicial stamps are used for payment of court fee under the Court Fee Act, 1870. It has been observed that leakages in stamp duty result due to availability and use of fake stamps prepared by criminals. The Electronic Transactions Ordinance, 2002, inter alia, provides that notwithstanding anything contained in the Stamp Act, 1899, for a period of two years from the date of commencement of this Ordinance or till the time the Provincial Governments devise and implement appropriate measures for payment and recovery of stamp duty through electronic means, whichever is later, stamp duty shall not be payable in respect of any instrument executed in electronic form. Therefore, in order to cope with leakages of stamp duty through use of fake stamp papers and also to facilitating public at large, the Government has decided to launch e-stamping under which electronically generated stamp paper will be issued to the public after deposit of amount of proper stamp duty in banks authorized by Government. Initially, only non-judicial e-stamps will be issued on paper of good quality, bar coded with security features and containing unique ID of parties to the instrument. The scheme will be introduced through pilot projects in a few districts of the Punjab. In view of the forgoing details, amendments are required to be brought about in the Stamps Act, 1899. Hence this Bill.

MINISTER INCHARGE

Lahore:
22 May 2015

RAI MUMTAZ HUSSAIN BABAR
Secretary

ANNEXURE - B

**(BILL AS RECOMMENDED BY THE
STANDING COMMITTEE ON EDUCATION)**

**A
BILL**

further to amend the Stamp Act, 1899.

It is expedient further to amend the Stamp Act, 1899 (II of 1899) for purposes hereinafter appearing;

Be it enacted by the Provincial Assembly of the Punjab as follows:

1. Short title and commencement.— (1) This Act may be cited as the Stamp (Amendment) Act 2015.

(2) It shall come into force on such date as the Government may, by notification, appoint and different dates may be appointed for coming into force of the provisions of this Act in different local areas.

2. Amendment in section 2 of Act II of 1899.— In the Stamp Act, 1899 (II of 1899), hereinafter referred to as the said Act, in section 2:

(a) for clause (11), the following shall be substituted:

“(11) “duly stamped” means affixation of an adhesive or impressed stamp or e-stamp of not less than the requisite amount and that the stamp has been legally affixed, used or electronically generated;”

(b) after clause (11), the following clause (11A) shall be inserted:

“(11A) “e-stamp” means a paper printed or partially printed containing a bar code or having any of its unique identification code and such other information, as may be specified by the rules, to be generated and printed, on deposit of money equivalent to chargeable stamp duty in the account of the Government;”

(c) for clause (13), the following shall be substituted:

“(13) “impressed stamp” includes—

- (a) the label affixed and impressed by the proper officer;
- (b) the stamp embossed or engraved on a stamp paper; and
- (c) an e-stamp.”; and

(d) in clause (14), after the word “recorded”, the words “and includes any instrument executed in electronic form” shall be inserted.

3. Amendment in section 10 of Act II of 1899.— In the said Act, in section 10:

(a) in subsection (1), after the word “stamps”, the words “or e-stamps” shall be inserted; and

(b) in subsection (2), in clause (a), after the word “stamps”, the words “or e-stamps” shall be inserted.

4. Insertion of section 32A in Act II of 1899.— After section 32, the following section 32A shall be inserted:

“**32A. Certificate of designated officer.**— An officer designated by the Government shall, by notification in the official Gazette, issue a certificate as to genuineness or otherwise of an e-stamp for the purpose of evidence in a legal proceedings.”
