GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UNSTARRED QUESTION NO. 1643
ANSWERED ON – 09/03/2021

Amendment in Indian Stamp Act, 1899

1643 Shri Satish Chandra Dubey:

Will the Minister of FINANCE be pleased to state:

(a) whether the Indian Stamp Act, 1899 has been amended; and

(b) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) & (b): The amendments have been carried out in the Indian Stamp Act, 1899 with respect to securities market transactions through Finance Act, 2019 and the relevant Stamp Rules, 2019 were notified on December 10, 2019. The amended provisions of the Indian Stamp Act, 1899 and the rules made thereunder have come into force w.e.f. July 1, 2020.

Through the said amendments, the Central Government has created the legal and institutional mechanism to enable States to collect stamp duty on securities market instruments at one place by one agency (through the Stock Exchanges or Clearing Corporations authorised by the Stock Exchange or by the Depositories) on one instrument. A mechanism for appropriate sharing the stamp duty with relevant State Government based on State of domicile of the buying client has also been included. The Central Government has also notified the Clearing Corporation of India Limited (CCIL) and the Registrars to Issue and / or Share Transfer Agents to act as collecting agents. The Stamp duty rates implemented through the amended Indian Stamp Act, 1899 are as per **Annexure I**.

The amendments in the Indian Stamp Act, 1899 and rules made thereunder seek to facilitate ease of doing business and uniformity and affordability of stamp duty on securities across States and thereby build a pan-India securities market.

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Annexure I

Stamp Duty Rates w.e.f. 1st July, 2020

Instrument	Rate
Issue of Debenture	0.005%
Transfer and Re-issue of debenture	0.0001%.
Issue of security other than debenture	0.005%
Transfer of security other than debenture on delivery basis;	0.015%
Transfer of security other than debenture on non-delivery basis	0.003%
Derivatives—	
(i) Futures (Equity and Commodity)	0.002%
(ii) Options (Equity and Commodity)	0.003%
(iii) Currency and Interest Rate Derivatives	0.0001%
(iv) Other Derivatives	0.002%
Government Securities	0%
Repo on Corporate Bonds	0.00001%