

### **Stamp duty payment on agreement for sale.**

Any documents for transfer of immovable property must be registered as per the Registration Act, 1908. An agreement for sale in the state of Maharashtra is deemed to be conveyance and therefore require its registration. The stamp duty is to be paid, before registration of the agreement, as per Bombay Stamp Act under Article 25. Within 6 months of payment of stamp duty the agreement must be executed and within 4 months of the Execution of the agreement the same must be presented for its registration before the Jurisdictional registering authorities. If the agreement is presented within further 4 months it may attract interest and penalty.

The stamp duty is worked out and payable as per the Market value. The Government of Maharashtra notifies the market values every year effective from 1<sup>st</sup> January of every calendar year. Even if the consideration for transfer is less than market value as per the ready reckoner the Stamp Duty is payable on the market value. If the consideration for transfer is more than market value, the stamp duty is payable on the amount of consideration.