THE STAMP DUTY ACT, 2019 (1963)

Date of Authentication and Publication

2019-9-29 (13 Jan. 1963)

The Amending Acts.

1. The Stamp Duty (First Amendment) Act, 2035 (1978) 2035-7-1
   (18 Oct. 1978)

   (13 Dec. 1978)

   (21 Jan. 2010)

Act Number 34 of the Year 2019 (1963)

An Act Made to Make Provisions relating to Stamp Duty

Preamble: Whereas, it is expedient to levy stamp duty on the documents of income related transactions and manage the modus operandi pertaining to such stamp duty;

Now, therefore, be it enacted by His Majesty King Mahendra Bir Bikram Shah Dev in accordance with Article 93 of the Constitution of Nepal.

The word "Kingdom" has been Omitted by the Act.

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1. **Short title, extent and commencement**: (1) This Act may be called as the "Stamp Duty Act, 2019 (1963 )".

(2) It shall extend throughout Nepal.

(3) It shall be deemed to have been commenced since 2019-4-9 (24 July 1962).

2. **Definitions**: Unless the subject or the context otherwise requires, in this Act, -

(a) "Stamp" means such revenue stamp recognised by Government of Nepal as required to be affixed to the documents as referred to in Sub-section (1) of Section 4.

(b) ..................

(c) ..................

(d) "Prescribed" or "as Prescribed" means prescribed or as prescribed in the Rules or orders framed or made under this Act.

(e) "Schedule" means the Schedule of this Act.

3. ..................

4. **Stamp Duty to be levied**: (1) The Stamp duty shall be levied in the following documents as mentioned in the Schedule :-

   (a) deed or memorandum of loans, monetary transaction,

   (b) deed of rent bond,
(c) deed of sale of goods and commodities other than non-organizational agricultural goods,

(d) document relating to the purchase and sale of shares, debentures stocks,

(e) negotiable instruments and promissory notes,

(f) all documents relating to insurance policy, and

(g) receipt of rent of a house, shop, hall, hotel and room.

(2) Notwithstanding anything contained in Sub-section (1), the Stamp duty shall not be levied on the following documents:-

(a) a deed of loan (Tamasuk) that is required to be registered compulsorily,

(b) receipt of payment of principal, interest of a loan on which deed has been executed and of payment of crops in kind or in cash,

(c) debentures of Government of Nepal.

(d) cheque, draft, telegraphic transfer (T.T.) and

(e) such documents, out of those mentioned in Sub-section (1), as may be so prescribed by Government of Nepal by a Notification published in the Nepal Gazette as may not be subject to the Stamp duty fully or partly.

(3) Postal stamp may be affixed instead of the Stamp to the document subject to the Stamp duty pursuant to Sub-section (1) until the Stamp is available.
5. **Provision of sale of Stamp**: Government of Nepal may by a Notification published in the Nepal Gazette, make provision on commission to any person if such person purchases the Stamps.

(2) If there exists a situation under which the Stamp required to be affixed pursuant to this Act is not available or any document to which the stamp has to be affixed does not have appropriate space and if the document to which the Stamp has to be affixed is accompanied by a receipt received upon paying the amount required for the Stamp to the local Land Revenue Office or Nepal Rastra Bank, it shall be deemed as if the Stamp were affixed thereto, for purposes of this Act.

(3) If any person comes to pay the amount for the Stamp duties to the local Land Revenue Office and to the Nepal Rastra Bank, the amount has to be received and due receipt thereof shall be given; and the Land Revenue Office has to debit the amount so received to a separate book of account and has to pay such amount to the Tax Office at the expiration of the current fiscal year (*Saal Tamami*).

6. **Duty to affix Stamp**: The person who receives a document for the purpose of evidence shall, in carrying on transactions referred to in Section 4, affix the stamp to the document and get the person delivering the document to make signature on the document and also over the Stamp as referred to in the Schedule, also indicating the date, and thereby obtain the deed.

[Deleted by the Act Amending Some Nepal Acts relating to Finance 2047 (1990)]
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7. **No legal recognition of document to which Stamp are not affixed**: (1) In cases where no Stamp has been affixed to the document subject to the Stamp duty pursuant to this Act, such document shall not be recognized as legal.

(2) Notwithstanding anything contained in Sub-section (1), in cases where any one has not affixed the Stamp or affixed the Stamp at the rate lower than that set forth in the schedule, such document may be given legal validity by getting such person to affix such Stamp that is five times higher of the Stamp required to be affixed if no stamp has been affixed and that is five times higher than the Stamp by which it is lesser if the stamp has been affixed at the lower rate or by collecting the sum equal to such duty.

+7A. **Fixation of value of in-kind goods for the purposes of Stamp duty**: In fixing the value of the in-kind goods for purpose of the Stamp duty, it shall be fixed according to the rate prevailing at the local market as calculated.

8. **Powers to frame Rules**: Government of Nepal may frame Rules so as to implement the objectives of this Act.

9. **Repeal and amendment**: The prevailing Nepal law in consistent with this Act or the Rules framed under this Act shall be deemed to have been repealed or amended to be consistent with this Act or the Rules framed under this Act, as the case may be.

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*Amended by the First Amendment.*

*Inserted by the First Amendment.*
**Schedule**

**Rate of the Stamp duty**

Document subject to Stamp Duty

<table>
<thead>
<tr>
<th>Face value</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to Rs. 100/-</td>
<td>None</td>
</tr>
<tr>
<td>From Rs. 101/- to 250/-</td>
<td>Re. 1/-</td>
</tr>
<tr>
<td>From Rs. 251/- to 500/-</td>
<td>Rs. 2/-</td>
</tr>
<tr>
<td>From Rs. 501/- to 750/-</td>
<td>Rs. 3/-</td>
</tr>
<tr>
<td>From Rs. 751/- to 1000/-</td>
<td>Rs. 4/-</td>
</tr>
<tr>
<td>Per thousand in excess of Rs. 1000/-</td>
<td>Rs. 4/-</td>
</tr>
</tbody>
</table>

**Explanation**: The duty as referred to in the Schedule shall be levied only on deed of loan or memorandum on household transaction of more than One Thousand Rupees.