

Boost for realty as West Bengal proposes rebate on stamp duty in budget



In a major fillip to the [real estate](#) industry, West Bengal has proposed a two per cent reduction in the rate of stamp duty on registration of [property](#) in its budget for 2021-2022.

The budget proposed to reduce the rate of stamp duty by two per cent from the present rate of six per cent in urban and five per cent in rural (property value of more than Rs 1 crore attracts an additional one per cent). The relief was being granted for registration of deeds affecting sale/lease of land/house/flat.

The first financial statement of the Trinamool Congress government in its third term, also announced a 10 per cent deduction in the circle rate of [property](#), which determines the value at which a [property](#) is registered.

The rebates relating to the real estate industry can be availed if the registration process is completed by October 30, 2021.

The government expects the measures announced for the real estate industry to create additional demand for the sector, which will have a multiplier effect on the economy.

Sushil Mohta, president, Credai, West Bengal, said that the reduction in the rate of stamp duty should help the end-users and this should boost sales.

“This announcement of the state government would encourage the real estate sector to launch new projects and infuse fresh investments,” he added.

The budget also announced an extension in relaxation of road tax payment. It has proposed to extend it for the period from July 1 to December 31, in a bid to lessen the burden on the transport sector, which is reeling from high oil prices.

The budget statement mentioned that Bengal’s GDP clocked a positive 1.2 per cent growth in 2020-2021 compared to a contraction in India’s GDP.

Joining the post budget press meet virtually, finance minister, Amit Mitra, said that Bengal achieved a positive growth rate by putting money in the hands of people and creating demand contrary to the Union government’s focus on supply-side.

Mitra could not present the budget on health grounds. It was presented in the assembly by Parliamentary Affairs minister, Partha Chatterjee. West Bengal tabled a budget of Rs 3,08,727 crore for 2021-22.

Mitra pointed out that around 85 per cent of state development expenditure was demand stimulation expenditure.

“With the social service expenditure, we have been able to stimulate demand in the state. Money is reaching the hands of the people who are likely to spend it and thereby create demand,” Mitra explained.

Ahead of the elections, the government had announced a slew of schemes including Duare Ration (ration of doorstep), Swasthya Sathi (universal health scheme), Lakshmi Bhandar (monthly basic income for women) and Student Credit Card.

“Whatever we had promised is being delivered,” Banerjee said.

[Real Estate](#)