

GOVERNMENT OF INDIA
MINISTRY OF MINES
LOK SABHA
UNSTARRED QUESTION NO. 1491
ANSWERED ON 10.02.2021

STAMP DUTY ON MINING

1491. SHRI DUSHYANT SINGH

Will the Minister of MINES be pleased to state:

- (a) whether Government is contemplating to rationalise the stamp duty on mining across the country;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the methodology that will be adopted for rationalising stamp duties;
- (d) whether the cost of mining, mine, life etc. of the mines will be taken into consideration across the country while rationalising stamp duties and if so, the details thereof;
- (e) the number of days that were given by the Government for comments from stakeholders for the proposed Mines and Mineral (Development and Regulation) Act, 1957;
- (f) whether the Government contemplates payment of stamp duties in phase-wise manner forbidders;
- (g) if so, the details thereof and if not, the reasons there for; and
- (h) the amount of money that would be collected by the Government by the proposed reforms along with the State-wise classification of the same?

ANSWER

THE MINISTER OF MINES, COAL AND PARLIAMENTARY AFFAIRS
(SHRI PRALHAD JOSHI)

(a) to (d) & (f) to (h): The Mines and Minerals (Development and Regulation) Act, 1957, administered by the Ministry of Mines, does not have any provisions on Stamp Duty. The rate and manner of levy of Stamp Duty on an instrument of mining lease lies within the legislative jurisdiction of State Governments. Stamp duty on instruments of mining lease is collected by the State Governments which goes into the Consolidated Fund of the State and appropriated by act of the State Legislature. Indian Stamp Act, 1899 prescribe the methodology for calculation of Stamp Duty on mining lease.

The Government has noticed that varied method of calculation of stamp duty in mining is being adopted by different States. Accordingly, it has been proposed for rationalizing the methodology of calculation of stamp duty in mining throughout the country in consultation with Ministry of Finance.

(e):- The proposed amendment in the Mines and Minerals (Development and Regulation) Act, 2020 was notified on 03.09.2020 on the website of Ministry of Mines for the comments of general public up to 24.9.2020.
