

PROMISSORY NOTES (STAMP) ACT, 1926

11 of 1926

[2nd March, 1926]

CONTENTS

1. Short title and extent
2. Validation of certain promissory notes

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"The stamp duty on promissory notes was raised on 1st October 1923 from a uniform rate of one anna to rates varying between one anna and four annas, but the use of postage stamps for two or four annas on such notes was not permitted until the Government of India issued Finance Department Notification No. 48 on the 5th January, 1926. The object of this Bill is to validate promissory notes stamped by inadvertence, during the interval between these two dates, with postage stamps of two or four annas re-presenting the correct duty."-Gazette of India, 1926. Pt. V, page 70.

1. Short title and extent :-

(1) This Act may be called THE PROMISSORYNOTES (STAMP) ACT, 1926.

1[1(2) It extends to the whole of India except **2** [the territories which, immediately before the 1st November, 1956, were comprised in Part B States].]

1. Substituted for the original sub-section by A. L. O.. 1950 (26-1-1950).

2. Substituted for 'Part B States' by 3 A LO., 1956 (with retrospective effect from 1-11-1956).

2. Validation of certain promissory notes :-

A promissory note payable on demand for an amount exceeding two hundred and fifty rupees, executed after the 30th day of

September, 1923, and before the 5th day of January, 1925, and stamped with an adhesive stamp or adhesive stamps inscribed for postage and of the value required by the law in force at the time the promissory note was executed, shall not, by reason only of the fact that the stamp or the stamps or any of them is or are of a description other than that required by such law, be deemed for any of the purposes of the Stamp Act, 1899, or of the rules made thereunder, not to have been duly stamped.