Uttar Pradesh exempts 100% Stamp Duty for Solar Project Land Acquisition

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The government of Uttar Pradesh has declared a complete stamp duty exemption on land purchased or leased for the construction of new solar facilities as well as IT and logistics parks. The government order was issued by Leena Johri, the chief secretary for the UP government.

The exemption will be valid for land that has been bought or leased for at least ten years. The Uttar Pradesh Warehousing and Logistics Policy, 2022, which aims to promote the growth of logistics parks in the state, includes this choice. The exemption also applies to land purchases or allocations made by industrial development bodies for trucking parks and solar energy facilities.

The district magistrate or deputy commissioner of industries must certify as a witness on the instrument of transfer or lease declaring that the deed is being conducted in accordance with the policy in order to confirm eligibility for the exemption.

The government order also specified that any unit would not be qualified for the exemption under this notification if it had already received stamp duty exemption under another programme.

Developers in Uttar Pradesh who want to take advantage of the stamp duty exemption on land acquisition for solar projects must present an irrevocable bank guarantee when the land deed is registered. This bank guarantee should be in favour of the Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA) and should equal the amount that is exempt from stamp duty.

With the help of this law, the developers will be guaranteed to receive the benefits of the exemption and will be held accountable for putting the solar projects in place. UPNEDA is a state nodal agency that is responsible for promoting, developing, and deploying renewable energy sources in Uttar Pradesh. The step is expected to boost the development of solar projects in the state and attract more investments in the renewable energy sector.