

# Uttar Pradesh Waives Stamp Duty on Land Acquired for Solar Projects

The exemptions is applicable for projects under the Solar Policy 2022



Solar developers will not be required to pay any stamp duty for land purchased or leased for solar projects and solar parks in Uttar Pradesh.

The [Uttar Pradesh government](#) has notified the 100% exemption on stamp duty as announced in the state's Solar Energy Policy 2022.

The stamp duty exemption could help solar capacity additions in the state where land acquisition has been a major stumbling block.

Solar parks require large parcels of contiguous land. Several instances of land acquisition have been running into issues with local authorities, landowners, and government agencies, which lead to higher costs for developers and make projects unviable.

The stamp duty exemption will apply once the district magistrate or the Deputy Commissioner of Industries confirms that the deed is being executed under the Uttar Pradesh Solar Policy 2022.

At the time of registering the land deed, developers are required to present the irrevocable bank guarantee of the amount equivalent to the remission of the stamp duty in favor of the Uttar Pradesh New and Renewable Energy Development Agency ([UPNEDA](#)).

The validity of the bank guarantee must be at least the time prescribed to complete the project.

However, units that have obtained the stamp duty exemption benefit under any other policy will not be eligible for a similar exemption under the Solar Policy.

Last November, the Uttar Pradesh government [approved](#) the ‘Solar Energy Policy, 2022,’ revising its target upwards to 22 GW of solar capacity by FY 2026-27.

The state had [proposed](#) a 16 GW solar capacity target in its draft policy earlier last year. The approved target capacity includes 14 GW of utility-scale power projects, 6 GW of rooftop solar projects, and 2 GW of distributed solar projects. UPNEDA has been designated the nodal agency for implementing the policy.

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