



**SECTIONS 3A(4), 39(1) & ITEM 32(a)
FIRST SCHEDULE STAMP ACT 1949**

LAGENDA MERSING SDN. BHD.

v.

**COLLECTOR OF STAMP DUTY
AA-24NCvC-23-01/2024**

 **HIGH COURT OF IPOH**

 **YA DATO' ABDUL WAHAB BIN MOHAMED**

 **2nd JULY 2025**

On 25.8.2020, LPB Development Sdn. Bhd. (LPB) entered into a Sale and Purchase Agreement with Symphony Hills Sdn. Bhd. (Symphony) to acquire a property for RM29,855,022.12 (the said property).

On 2.9.2022, LPB, Symphony, and the Plaintiff executed a Novation Agreement, under which the Plaintiff replaced LPB as the purchaser of the said property. On 24.10.2023, the Plaintiff signed the Memorandum of Transfer (Form 14A) and submitted a stamp duty adjudication application to the Collector of Stamp Duty (the Collector). To determine the applicable stamp duty, the Collector sought a valuation from the Valuation and Property Services Department (JPPH) which assessed the market value of the property at RM40,350,000.00. Unsatisfied with the valuation by JPPH, the Plaintiff filed Notice of Objection under Section 38A(1) of the Stamp Act 1949 (SA 1949), arguing that the stamp duty should be based on the consideration price instead. JPPH responded on 21.12.2023, maintaining the original market valuation. The Plaintiff seeks the opinion of the Court on whether the stamp duty imposed on Form 14A, based on JPPH's valuation of RM40,350,000.00, was correctly assessed under Item 32(a) First Schedule SA 1949, or whether it should instead be determined based on the consideration stated in the transaction.

The Plaintiff submitted that the value of RM29,855,022.12 consideration reflected the true market value of the land, as the transaction was conducted fairly between unrelated parties under normal market conditions (the market value was a real transaction, not an estimation). The Plaintiff further submitted that, on 17.11.2022, an application was made to the Economic Planning Unit of the Prime Minister's Department (EPU), accompanied by four (4) valuation reports (one from JPPH and three from private valuers) for the EPU's review and consideration. Subsequently, on 2.6.2023, the EPU approved the disposal of the Land at a consideration of RM29,855,022.12. The Plaintiff contended that it had acted responsibly and in compliance with regulatory requirements, ensuring that the disposal/acquisition of the Land was in the best interest of the respective companies. This was demonstrated by the buyer's (LPB) initiative in obtaining multiple valuation reports and securing EPU's approval for the transaction.

On the other hand, the Collector submitted that the Form 14A as an instrument to transfer of property was chargeable pursuant to Item 32(a) First Schedule SA 1949 (read together with subsection 4(1) SA 1949). Under Item 32(a) First Schedule SA 1949, stamp duty would be charged an *ad valorem* duty based on either the consideration amount or the market value of the property, whichever is higher. In this case, although the property was sold for RM29,855,022.12, JPPH assessed its market value at a higher figure. The Collector took note of the valuation reports prepared by private valuers but maintained the position, based on trite law, that the valuation conducted by JPPH should be given priority in determining the market value of the subject property. The Court may only rely on a valuation prepared by a private valuer if the valuation conducted by JPPH was proven to be erroneous or in contravention of the law. Despite that, on the issue of interest pleaded by the Plaintiff, the Collector submitted that, in the event the Court decided in the Plaintiff's favour, no interest should be awarded-by virtue of subsection 39(4) SA 1949.

On 2.7.2025, the Court allowed the Plaintiff's application, but the interest was not allowed and no order to costs.

Editorial Note:

▪ *The Collector has the right to file an appeal to the Court of Appeal within 30 days from the decision of the High Court.*