
STATUTORY INSTRUMENTS

1973 No. 1323 (N.I. 18)

NORTHERN IRELAND

The Finance (Miscellaneous Provisions)
(Northern Ireland) Order 1973

<i>Made</i>	27th July 1973
<i>Laid before Parliament</i>	30th July 1973
<i>Coming into operation</i>	31st July 1973

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At the Court at Buckingham Palace, the 27th day of July 1973

Present,

The Queen's Most Excellent Majesty in Council

Whereas it has been made to appear to Her Majesty that by reason of urgency this Order requires to be made without a draft having been approved by resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by section 1 (3) of the Northern Ireland (Temporary Provisions) Act 1972 (a), and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

PART I

INTRODUCTORY

Title and commencement

1. This Order may be cited as the Finance (Miscellaneous Provisions (Northern Ireland) Order 1973 and shall come into operation on 31st July 1973.

Interpretation and construction

2.—(1) The Interpretation Act (Northern Ireland) 1954 (b) shall apply to Article 1 and the following provisions of this Order as it applies to an Act of the Parliament of Northern Ireland.

(2) Part II and Schedule 1 shall be construed as one with the Finance Act 1894 (c).

(3) Part III and Schedule 2 shall be construed as one with the Stamp Act 1891 (d).

(a) 1972 c. 22.

(b) 1954 c. 33 (N.I.).

(c) 1894 c. 30.

(d) 1891 c. 39.

PART II
ESTATE DUTY

Valuation of certain investments for purposes of estate duty

3.—(1) The provisions of this Article shall have effect for determining the principal value, for the purposes of estate duty, of any qualifying investments which—

- (a) constitute property passing on the death of a person dying after 6th March 1973; and
- (b) fall to be valued as at the date of that death for the purposes of estate duty; and
- (c) are sold by the appropriate person within the period of twelve months immediately following the date of that death.

(2) On a claim being made in that behalf by the appropriate person, there shall be determined for the purposes of this Article the amount (if any) by which—

- (a) the aggregate of the values which, apart from this Article and apart from any reduction under section 1 of the Finance Act (Northern Ireland) 1968 (a), would be the principal values for the purposes of estate duty of all the qualifying investments falling within sub-paragraphs (a) and (b) of paragraph (1) which are sold by him as mentioned in sub-paragraph (c) of that paragraph
exceeds
- (b) the aggregate of the values of those investments at the time they were so sold, taking the value of any particular investments for this purpose as the price for which they were so sold or, if it is greater, the best consideration which could reasonably have been obtained for them at the time of the sale;

and, in this Article, the amount of that excess is referred to, in relation to those investments, as “the loss on sale”.

(3) Subject to the following provisions of this Article, in determining the estate duty chargeable on the death in question, the principal value of the investments to which the claim relates shall be treated as reduced by an amount equal to the loss on sale.

(4) Subject to paragraph (5), if a claim is made under this Article and, at any time during the period beginning on the date of the death in question and ending two months after the date of the last sale falling within paragraph (1) (c) of any qualifying investments to which the claim relates, the person making the claim purchases any qualifying investments in the same capacity as that in which he makes the claim, the loss on sale of the investments to which the claim relates shall be treated for the purposes of paragraph (3) as reduced by the proportion which the aggregate of the purchase prices of all the qualifying investments so purchased bears to the aggregate of the values referred to in paragraph (2) (b) (or, if the aggregate of those purchase prices equals or exceeds the aggregate of those values, the loss on sale shall be extinguished).

(5) If a claim is made under this Article by any person in a capacity other than that of an executor or trustee—

- (a) paragraph (4) shall have effect in his case as if for the words “in the same capacity as that in which he makes the claim” there were substituted the words “otherwise than in the capacity of an executor or trustee”; and

(a) 1968 c. 17 (N.I.).

(b) no account shall be taken under that paragraph of any qualifying investments purchased by him unless they are of the same description as one of the qualifying investments to which the claim relates.

(6) In this Article—

“the appropriate person”, in relation to any qualifying investments falling within sub-paragraphs (a) and (b) of paragraph (1), means the person accountable for estate duty in respect of those investments or, if there is more than one such person and one of them is in fact accounting for that duty, that person;

“qualifying investments” means shares or securities which at the date of the death in question are quoted on a recognised stock exchange and holdings in a unit trust which at that date is an authorised unit trust, as defined in section 358 of the Income and Corporation Taxes Act 1970 (a);

“recognised stock exchange” has the meaning assigned to it by section 335 (1) of the said Act of 1970;

and any reference to the investments to which a claim relates is a reference to all the qualifying investments which, on the making of the claim, are taken into account under paragraph (2) in determining the loss on sale.

(7) Schedule 1 shall have effect for supplementing this Article, and any expression to which a meaning is assigned by paragraph (2) or (6) has the same meaning in that Schedule as in this Article.

(8) For the purposes of paragraph (5) and Schedule 1, two investments, not being investments in an authorised unit trust, shall not be treated as of the same description if they are separately quoted on a recognised stock exchange, and an investment in one authorised unit trust shall not be treated as of the same description as an investment in another authorised unit trust.

Determination for estate duty of principal value of unquoted shares and securities

4.—(1) This Article shall, in the case of deaths on or after 6th July 1973, have effect where, in relation to an asset to which this Article applies, there falls to be determined, by virtue of section 7 (5) of the Finance Act 1894 (principal value for purposes of estate duty), the price which, in the opinion of the Ministry of Finance, property consisting of the asset would fetch if sold in the open market.

(2) The assets to which this Article applies are shares and securities which are not quoted on a recognised stock exchange, within the meaning of Article 3 (6), at the time as at which their principal value for the purposes of estate duty falls to be determined.

(3) For the purposes of a determination falling within paragraph (1), it shall be assumed that, in the open market which is postulated for the purposes of that determination, there is available to any prospective purchaser of the asset in question all the information which a prudent prospective purchaser of the asset might reasonably require if he were proposing to purchase it from a willing vendor by private treaty and at arm's length.

Acceptance in satisfaction of estate duty of certain objects and collections

5. Without prejudice to its powers under section 1 of the Finance (Miscellaneous Provisions) Act (Northern Ireland) 1954 (b) (acceptance of objects associated with certain buildings) and Article 10 of the Finance (Northern Ireland) Order 1972 (c) (acceptance of certain works of art), the power of the

(a) 1970 c. 10.

(b) 1954 c. 3 (N.I.).

(c) S.I. 1972/1100 (N.I. 11).

Ministry of Finance to accept property other than land in satisfaction of estate duty or settlement estate duty shall include power to accept—

- (a) any picture, print, book, manuscript, scientific object or other thing which the Ministry is satisfied is pre-eminent for its national, scientific or historic interest; and
- (b) any collection or group of pictures, prints, books, manuscripts, works of art, scientific objects or other things if the Ministry is satisfied that the collection or group, taken as a whole, is pre-eminent for its national, scientific, historic or artistic interest;

and subsections (2) to (4) of the said section 1 (which regulate matters arising out of acceptances under that section) shall apply in the same way to acceptances under this Article.

Extension of exemption from duty for members of armed forces, etc.

6. Section 2 of the Finance Act (Northern Ireland) 1952 (a) (exemption from estate duty where members of the armed forces or certain other persons die from wounds inflicted, accidents occurring or diseases contracted on active service or other service of a warlike nature) shall, in relation to deaths occurring after the commencement of Part I of that Act, have effect as if at the end of subsection (1) there were added the words "or that the deceased died from a disease contracted at some previous time, the death being due to or hastened by the aggravation of the disease during a period (whether beginning before or after the commencement of this Part of this Act) when the deceased satisfied the conditions aforesaid".

Overseas pensions: continuation of certain exemptions from estate duty

7.—(1) If, by reason of Her Majesty's Government in the United Kingdom having assumed responsibility for a pension, allowance or gratuity, payments in respect of it are made under section 1 of the Overseas Pensions Act 1973 (b), then, the enactments relating to estate duty shall apply in relation to the pension, allowance or gratuity, exclusive of any statutory increases thereof, as if it continued to be paid by the government or other body or fund which had responsibility for it before that responsibility was assumed by Her Majesty's Government in the United Kingdom.

(2) Estate duty shall not be payable in Northern Ireland in respect of any pension payable under the regulations or rules relating to—

- (a) the funds vested in Commissioners under section 273 of the Government of India Act 1935 (c); or
- (b) any fund administered under a scheme made under section 2 of the Overseas Pensions Act 1973 which is certified by the Secretary of State, for the purpose of the exemption conferred by subsection (5) of the said section 273, to correspond to an Order in Council under subsection (1) of that section.

Section 8 of the Finance Act (Northern Ireland) 1936 (d) shall cease to have effect.

(3) In section 4 (1) (a) of the Finance Act (Northern Ireland) 1956 (e) (certain pensions treated for estate duty purposes as if paid by the Government of India or the Government of Pakistan), for the words "the Pensions (India, Pakistan and Burma) Act 1955" there shall be substituted the words "a scheme made under section 2 of the Overseas Pensions Act 1973 which is constituted by

(a) 1952 c. 13 (N.I.). (b) 1973 c. 21. (c) 1935 c. 2 (26 Geo. 5 & 1 Edw. 8).
(d) 1936 c. 33 (N.I.). (e) 1956 c. 11 (N.I.).

the Pensions (India, Pakistan and Burma) Act 1955 or is certified by the Secretary of State, for the purposes of this section, to correspond to the said Act of 1955", and for the words "is paid" there shall be substituted the words "was first paid under the said Act of 1955".

(4) Section 6 (1) of the Finance Act (Northern Ireland) 1958 (a) (estate duty treatment of pensions under the Overseas Services Act 1958 (b)) shall be amended by the insertion after paragraph (b) thereof of the following paragraphs—

"(c) under any enactment which, by virtue of subsection (3) of section 2 of the Overseas Pensions Act 1973, is to have effect as if it constituted a scheme made under that section; or

(d) under any instrument made under any enactment referred to in paragraph (c) of this subsection; or

(e) under any scheme made under section 2 of the said Act of 1973 which is certified by the Secretary of State, for the purposes of the Income and Corporation Taxes Act 1970, to correspond to an enactment to which paragraph (c) of this subsection applies;"

(5) In this Article, "statutory increases", in relation to a pension, allowance or gratuity, means so much (if any) of the pension, allowance or gratuity as is paid by virtue of the application to it of any provision of the Pensions (Increase) Act 1971 (c) or any enactment repealed by that Act, and, in this paragraph and paragraph (1), "pension, allowance or gratuity" has the same meaning as in section 1 of the Overseas Pensions Act 1973.

PART III

STAMP DUTY

Stamp duty on documents relating to chargeable transactions of capital companies

8.—(1) If at the time, or as a result, of the occurrence after 31st July 1973 of any of the transactions relating to a capital company which are specified in Part I of Schedule 2 (in this Article referred to as "chargeable transactions")—

(a) the place of effective management of the capital company is in Northern Ireland; or

(b) the registered office of the capital company is in Northern Ireland but the place of its effective management is outside the member States;

then, subject to paragraph (2), there shall be delivered to the Ministry, within one month of the transaction, a statement in such form and containing such particulars with respect to the transaction as the Ministry may prescribe.

(2) The obligation to deliver a statement to the Ministry under paragraph (1) shall not apply in relation to a chargeable transaction falling within subparagraph (a) or (b) of paragraph 1 of Schedule 2 if the transaction consists of or includes—

(a) the formation of a company which is to be incorporated with limited liability under the Companies Act (Northern Ireland) 1960 (d) and is to have a share capital; or

(b) an allotment of shares in respect of which there is a duty under section 52 (1) of that Act to deliver a return to the registrar of companies; or

(c) the registration of a limited partnership (which is effected by sending or delivering a statement under section 8 of the Limited Partnerships Act 1907 (e) to the registrar of companies); or

(a) 1958 c. 14 (N.I.).

(b) 1958 c. 14.

(c) 1971 c. 56.

(d) 1960 c. 22 (N.I.).

(e) 1907 c. 24.

(d) such a change in the contribution or liability of a member of a limited partnership as gives rise to a duty under section 9 of the Limited Partnerships Act 1907 to send or deliver a statement thereof to the registrar of companies.

(3) In any case where, by virtue of paragraph (2) (a), there is no obligation to deliver to the Ministry a statement under paragraph (1) with respect to a chargeable transaction, a statement with respect thereto shall be delivered to the registrar of companies, in addition to the memorandum and articles to be delivered under section 12 of the Companies Act (Northern Ireland) 1960 and—

(a) that statement shall be registered by the registrar of companies upon the stamp duty chargeable in accordance with paragraph (5) being paid; and

(b) unless that statement is so registered, the registrar of companies shall not register the memorandum and articles under the said section 12.

(4) If, by virtue of paragraph (2), there is no obligation to deliver to the Ministry a statement under paragraph (1) with respect to a chargeable transaction, then—

(a) the return or statement required to be delivered or sent to the registrar of companies as mentioned in paragraph (2); or

(b) the statement required to be delivered to the registrar of companies under paragraph (3);

shall contain the like particulars with respect to the transaction as would be required to be contained in a statement under paragraph (1) if the obligation under that paragraph did apply.

(5) Subject to paragraph (6), where a chargeable transaction occurs, the relevant document shall be charged with ad valorem stamp duty of £1 for every £100 or part of £100 of the amount determined in relation to that document under Part II of Schedule 2.

(6) If the relevant document relates to a chargeable transaction which, by virtue of Part III of Schedule 2, is an exempt transaction for the purposes of this Article, then, except as provided in that Part, stamp duty shall not be chargeable on the document under paragraph (5), but the document shall not be treated as duly stamped unless it is stamped, in accordance with section 12 of the Stamp Act 1891, with a particular stamp denoting either that it is not chargeable with any duty or that it is duly stamped.

(7) If a chargeable transaction occurs and the stamp duty (if any) chargeable in accordance with this Article on the relevant document is not paid within one month from the date of the transaction—

(a) the duty (if any) which is so chargeable shall be a debt due to the Ministry from the capital company to which the transaction relates, or, if that capital company is not a body corporate, shall be a debt due to the Ministry for which each of the members of the capital company shall be jointly and severally liable; and

(b) the capital company or, if it is not a body corporate, each of its members, jointly and severally, shall incur a fine equal to 5 per cent. of the duty chargeable and a similar fine for every month from the date of the transaction, other than the first, during which the duty remains unpaid.

(8) The supplementary provisions in Part IV of Schedule 2 shall have effect in relation to chargeable transactions and, in consequence of the provisions of this Article, the amendments in Part V of that Schedule shall have effect.

(9) In this Article and in Schedule 2—

“the Ministry” means the Ministry of Finance;

“registered office”, in relation to a limited partnership formed in accordance with the Limited Partnerships Act 1907, means the principal place of business of the partnership;

“the relevant document”, in relation to a chargeable transaction, means the statement required to be delivered under paragraph (1) or, if paragraph (2) applies—

(a) the return or statement required to be delivered or sent to the registrar of companies as mentioned in paragraph (2); or

(b) the statement required to be delivered to the registrar of companies under paragraph (3).

Capital companies

9.—(1) For the purposes of Article 8 and Schedule 2, “capital company” means—

(a) a company incorporated with limited liability according to the law of any part of the United Kingdom;

(b) a limited partnership formed in accordance with the Limited Partnerships Act 1907;

(c) a company incorporated according to the law of a member State other than the United Kingdom;

(d) any other corporation or body of persons the shares in whose capital or assets can be dealt in on a stock exchange in a member State; or

(e) any other corporation or body of persons operating for profit, whose members have the right to dispose of their shares to third parties without prior authorisation and are responsible for the debts of the corporation or body only to the extent of their shares.

(2) For the avoidance of doubt, it is hereby declared that a unit trust (whether an authorised unit trust or not) is not, by virtue of sub-paragraph (d) of paragraph (1), a capital company for the purposes specified in that paragraph.

Abolition of stamp duty on statements relating to capital and on issue of marketable securities

10.—(1) On and after 1st August 1973, no stamp duty shall be chargeable on any statement under—

(a) section 112 or 113 of the Stamp Act 1891 (on statements relating to nominal share capital of limited companies); or

(b) section 11 of the Limited Partnerships Act 1907 (on statements relating to contributions by limited partners);

unless the obligation to deliver the statement arose before that date, or the period within which it is required to be delivered or sent began on or before that date.

(2) No stamp duty shall be chargeable under section 8 of the Finance Act 1899 (a) on any statement of an amount proposed to be secured by an issue of loan capital unless the obligation to deliver the statement arose before 1st January 1973; and in any case where duty has been paid under that section in respect of any statement on which, by virtue of this paragraph, duty was not chargeable, the corporation, company or body of persons by whom the duty was paid shall be entitled, on making a claim in that behalf, to repayment of that duty.

(3) No stamp duty shall be chargeable by virtue of the heading "Marketable Security" in Schedule 1 to the Stamp Act 1891 on any instrument executed or made on or after 1st January 1973, but—

(a) nothing in this paragraph or in the repeals effected by this Order shall affect the stamp duty chargeable on any instrument on the sale of a marketable security of any description by reference to the heading in that Schedule "Conveyance or Transfer on Sale"; and

(b) without prejudice to section 74 of the Finance (1909—10) Act 1910 (a) (certain conveyances and transfers which operate as voluntary dispositions inter vivos to be chargeable with the same stamp duty as if they were conveyances on sale), any transfer, assignment, disposition or assignation of a marketable security of any description, otherwise than upon a sale thereof, shall be treated as falling within the heading in that Schedule "Conveyance or Transfer of any kind not hereinbefore described";

and, in any case where duty has been paid by virtue of the said heading "Marketable Security" in respect of an instrument on which, by virtue of this paragraph, duty was not chargeable, the person by whom the duty was paid shall be entitled, on making a claim in that behalf, to repayment of that duty.

(4) In any case where—

(a) stamp duty has been paid under any of the enactments specified in paragraph (1) on a statement which was required to be delivered on or after, or within a period which began after, 1st January 1973;

(b) before 1st August 1975, a claim is made, in such form as the Ministry of Finance may prescribe, by the company, corporation or partners by whom the duty was paid; and

(c) in the case of a company, no claim has been made previously under paragraph (5);

there shall be determined the amount of duty (in this Article referred to as "the notional new duty") which would have been payable by the company, corporation or partners in respect of transactions occurring in the period of seven months ending immediately before 1st August 1973 if Articles 8 and 9 and Schedule 2 had been in force on and after 1st January 1973 (with the substitution of a reference to 31st December 1972 for any reference in those provisions to 31st July 1973); and if the amount of duty paid as mentioned in sub-paragraph (a) exceeds the amount of the notional new duty, the company, corporation or partners shall be entitled to repayment of an amount equal to that excess.

(5) Subject to paragraph (8), if, on a claim made in such form as the Ministry of Finance may prescribe, it is proved to the Ministry's satisfaction that—

(a) stamp duty has been paid in respect of the nominal share capital, or an increase in the registered or nominal share capital, of a company under section 112 or 113 of the Stamp Act 1891; and

(b) on 31st July 1973, the total of the registered or nominal share capital of the company exceeds the total of its issued share capital;

the company shall be treated as having paid, on account of any duty for which it may become liable under Article 8 (5), a sum equal to that part of the duty paid as mentioned in sub-paragraph (a) which was so paid in respect of the excess referred to in sub-paragraph (b).

(6) If at any time the nominal share capital of a company was treated as reduced under paragraph (A) of section 4 (1) of the Finance Act (Northern Ireland) 1928 (b) (relief from capital duty in cases of reconstruction or amalga-

mation of companies), then, for the purposes of paragraph (5), stamp duty shall be treated as having been paid as mentioned in that paragraph, at the rate applicable when the acquisition referred to in paragraph (b) of the said section 4 (1) occurred, in respect of an amount of nominal share capital equal to the amount of the reduction under the said paragraph (A).

(7) Subject to paragraph (8), if, on 31st July 1973, the issued share capital of a company includes any shares which are not fully paid up, then, for the purposes of paragraph (5) (b), the total of its issued share capital shall be treated as reduced by a sum equal to the total amount which remains to be paid up on those shares.

(8) If a claim is made under paragraph (4) by a company, no claim may be made by the company under paragraph (5) except at the same time as the claim under paragraph (4); and, for the purpose of any such contemporaneous claim under paragraph (5) and of determining the amount of any repayment under paragraph (4), paragraphs (5) to (7) shall have effect—

(a) as if any reference therein to 31st July 1973 were a reference to 31st December 1972;

(b) as if sub-paragraph (a) of paragraph (5) applied only to stamp duty paid on a statement which was required to be delivered before, or within a period which began on or before, 1st January 1973; and

(c) as if the amount which, apart from this sub-paragraph, the company would be treated as having paid as mentioned in paragraph (5) were to be applied first in reducing or extinguishing the amount of the notional new duty (so that only the balance, if any, will be treated as specified in paragraph (5)).

(9) The repeal by this Order of section 8 of the Finance Act 1899 and of any other enactment amending that section shall not affect the construction of any enactment in which "loan capital" has the same meaning as in that section.

PART IV

MISCELLANEOUS AND GENERAL

Borrowing of money in sterling or foreign currency

11.—(1) For the avoidance of doubt it is hereby declared that, where power is conferred by any enactment on a Ministry, district council or other public body to borrow or raise money by any means, that power includes power to borrow or raise money by those means either in sterling or in any other currency or medium of exchange, whether national or international, or partly in sterling and partly in such other currency or medium of exchange.

(2) The power of a district council or other public body to borrow or raise money in any currency or medium of exchange other than sterling shall only be exercised with the consent of and in accordance with conditions specified by the Ministry of Finance.

Amendments consequential on establishment of The Stock Exchange

12.—(1) In the enactments relating to estate duty or stamp duty—

(a) references to the Stock Exchange, London or the London Stock Exchange, a stock exchange in the United Kingdom or a recognised stock exchange in the United Kingdom shall be construed as references to The Stock Exchange;

(b) references to quotation on a stock exchange in the United Kingdom or a recognised stock exchange in the United Kingdom shall be construed as references to listing in the Official List of The Stock Exchange; and

(c) references to a member of a stock exchange in the United Kingdom shall be construed as references to a member of The Stock Exchange; and those enactments shall have effect subject to the amendments specified in Schedule 3.

(2) This Article shall be deemed to have come into operation on 25th March 1973 but shall not affect the operation of any enactment in relation to anything done before that day.

Advances by Ministry of Finance to Northern Ireland Housing Executive

13. In section 20 (2) of the Housing Executive Act (Northern Ireland) 1971 (a) (power of Ministry of Finance to make issues out of Consolidated Fund for purposes of advances to the Northern Ireland Housing Executive), at the end there shall be inserted the words “, and for the purpose of providing for such issues, the Ministry of Finance may borrow money”.

Exclusion of attendance allowance when calculating reckonable income for rate rebate

14. At the end of paragraph 10 of Schedule 10 to the Rates (Northern Ireland) Order 1972 (b) (which provides for certain income to be left out of account when calculating the reckonable income of an applicant for a rate rebate under that Order) there shall be added the following sub-paragraph—

“(c) any income by way of payment of any attendance allowance within the meaning of any regulations for the time being in force under the Family Income Supplements Act (Northern Ireland) 1971 (c).”.

Restriction on investment grants

15.—(1) For subsection (1) of section 3 of the Industrial Investment (Amendment) Act (Northern Ireland) 1971 (d) there shall be substituted the following subsection—

“(1) The Ministry may, with the approval of the Ministry of Finance, by order made subject to negative resolution, provide either generally or in respect of any particular class of business, that the aggregate amount of any grants made under the Act of 1966 as modified by section 1 (1) to or in respect of any person carrying on a qualifying industrial process in the course of a business in Northern Ireland shall not, in respect of any period consisting of four consecutive quarters, exceed such amount as may be specified in the order.”.

(2) In section 3 (2) of the said Act of 1971 for the words “mentioned in” there shall be substituted the words “specified in an order under”.

Repeals

16. The enactments set out in Schedule 4 are hereby repealed to the extent mentioned in column 3 of that Schedule, but subject to the provisions at the end of that Schedule.

W. G. Agnew

SCHEDULES

SCHEDULE 1

Article 3.

VALUATION OF CERTAIN INVESTMENTS FOR PURPOSES OF ESTATE DUTY

Interpretation

1. In this Schedule—

“principal value” means principal value for the purposes of estate duty, and “basic principal value”, in relation to any investments, means the value which,

(a) 1971 c. 5 (N.I.).

(b) S.I. 1972/1633 (N.I. 16).

(c) 1971 c. 8 (N.I.).

(d) 1971 c. 34 (N.I.).

- apart from Article 3 and section 1 of the Finance Act (Northern Ireland) 1968, would be the principal value of those investments;
- “relevant proportion”, in relation to the investments to which a claim relates, or any of them, means the proportion by which the loss on sale is reduced under Article 3 (4);
- “sale value”, in relation to any qualifying investments, means their value for the purposes of Article 3 (2) (b);
- “value on death”, in relation to any qualifying investments, means their value for the purposes of Article 3 (2) (a).

The appropriate person

2. For the purposes of Article 3 and this Schedule—
- (a) the executors of the deceased; and
- (b) the trustees of a settlement;

shall each be treated as a single and continuing body of persons (distinct from the persons who may from time to time be the executors or trustees).

3. A claim made by the appropriate person under paragraph (2) of Article 3 shall specify the capacity in which he makes the claim, and any reference in that Article to qualifying investments which are sold by him is a reference to investments which, immediately before their sale, were held by him in the capacity in which he makes the claim.

Valuation on sale and purchase

4. In any case where, for the purposes of Article 3, it is necessary to determine the price at which any investments were purchased or sold or the best consideration that could reasonably have been obtained on the sale of any investments, no account shall be taken of any expenses (whether by way of commission, stamp duty or otherwise) which are incidental to the sale or purchase.

5.—(1) Subject to sub-paragraph (2), for the purposes of Article 3, where any investments are sold or purchased by the appropriate person, the date on which they are so sold or purchased shall be taken to be the date on which he entered into a contract to sell or purchase the investments.

(2) If the sale or purchase of any investments by the appropriate person results from the exercise (whether by him or by any other person) of an option, then, for the purposes of Article 3, the date on which the investments are sold or purchased shall be taken to be the date on which the option was granted.

Principal value where only part of a fund is dutiable

6.—(1) In any case where—

- (a) part only of a holding of qualifying investments is treated for the purposes of estate duty as passing on a death; and
- (b) investments comprised in that holding are sold as mentioned in sub-paragraph (c) of paragraph (1) of Article 3;

that Article and this Schedule shall apply as if the entirety of the holding fell within sub-paragraph (a) of paragraph (1) of that Article and, if a claim is made under that Article in respect of the investments referred to in sub-paragraph (b), the dutiable fraction of the principal value of the investments to which the claims relates, as determined under that Article, shall be the principal value of that part of those investments which is treated as passing on the death.

(2) In sub-paragraph (1), “dutiable fraction” means the fraction of which the numerator is the basic principal value of the part of the holding referred to in paragraph (a) of that sub-paragraph and the denominator is the basic principal value of the entirety of that holding.

Exchanges of qualifying investments

7.—(1) Subject to sub-paragraph (3), if, within the period specified in sub-paragraph (c) of paragraph (1) of Article 3, the appropriate person exchanges (with or without any payment by way of equality of exchange) any qualifying investments falling within

sub-paragraphs (a) and (b) of that paragraph, then, regardless of the nature of the property taken in exchange, if the market value of those investments is at the date of the exchange greater than their value on death, they shall be treated for the purposes of Article 3 and this Schedule as having been sold at the date of the exchange for a price equal to that market value.

(2) For the purposes of this paragraph, the market value of any investments at any time means the value which would be the basic principal value of the investments if they formed part of the estate of a person who died at that time.

(3) This paragraph does not apply in any case where the exchange falls within paragraph 10 (1).

Aggregation of capital receipts with sale price of investments

8.—(1) For the purposes of paragraph (2) (b) of Article 3, if—

(a) at any time after the death in question (whether during or after the expiry of the period specified in sub-paragraph (c) of paragraph (1) of that Article), the appropriate person receives any capital payment or payments which is or are attributable to any qualifying investments falling within sub-paragraphs (a) and (b) of that paragraph; and

(b) those investments are sold by him as mentioned in sub-paragraph (c) of that paragraph;

the price for which those investments were sold or, as the case may be, the best consideration referred to in Article 3 (2) (b) shall be taken to be increased by an amount equal to the capital payment, or, as the case may be, the aggregate of the capital payments, referred to in sub-paragraph (a).

(2) If the appropriate person receives or becomes entitled to receive in respect of any qualifying investments a provisional allotment of shares in or debentures of a company and he disposes of his rights, the amount of the consideration for the disposal shall be treated for the purposes of this paragraph as a capital payment attributable to those investments.

(3) In this paragraph, “capital payment”, in relation to any investment, does not include the price paid on the sale of the investment but, subject to that, includes any money or money’s worth which does not constitute income for the purposes of income tax.

Payments of calls

9. For the purposes of paragraph (2) (a) of Article 3, if—

(a) at any time after the death in question (whether during or after the expiry of the period specified in sub-paragraph (c) of paragraph (1) of that Article), the appropriate person pays an amount in pursuance of a call in respect of any qualifying investments falling within sub-paragraphs (a) and (b) of that paragraph; and

(b) those investments are sold by him as mentioned in sub-paragraph (c) of that paragraph;

the value on death of those investments shall be the aggregate of the amount so paid and the basic principal value of those investments.

Effect of changes in a holding between death and sale

10.—(1) This paragraph applies in any case where, within the period specified in sub-paragraph (c) of paragraph (1) of Article 3, there occurs in relation to any qualifying investments falling within sub-paragraphs (a) and (b) of that paragraph (in this paragraph referred to as “the original holding”) a transaction to which paragraph 4 of Schedule 7 to the Finance Act 1965 (a) applies, that is to say—

(a) a reorganisation, within the meaning of that paragraph, or reduction of the share capital of a company; or

(b) the conversion of securities, within the meaning of paragraph 5 of that Schedule; or

(a) 1965 c. 25.

(c) the issue by a company of shares or debentures in exchange for shares in or debentures of another company in such circumstances that paragraph 6 of that Schedule applies; or

(d) the issue by a company of shares or debentures under such an arrangement as is referred to in paragraph 7 of that Schedule;

or any transaction relating to a unit trust scheme which corresponds to any of the transactions referred to in sub-paragraphs (a) to (d) and to which paragraph 4 of that Schedule applies by virtue of section 45 (8) of the Finance Act 1965.

(2) Subject to sub-paragraph (3), where this paragraph applies, the holding of investments which, as a result of the transaction, constitutes the new holding, within the meaning of paragraph 4 of the said Schedule 7, shall be treated for the purposes of Article 3 and this Schedule as being the same as the original holding; and references in the following provisions of this paragraph to the new holding shall be construed accordingly.

(3) If, in a case where this paragraph applies, the appropriate person gives, or becomes liable to give, as part of or in connection with the transaction concerned, any consideration for the new holding or any part of it, then, for the purposes of sub-paragraph (5), the value on death of the new holding shall be treated as the aggregate of—

(a) the value on death of the original holding; and

(b) an amount equal to that consideration;

and in any other case the value on death of the new holding shall be taken to be the same as the value on death of the original holding.

(4) For the purposes of sub-paragraph (3), there shall not be treated as consideration given for the new holding or any part of it—

(a) any surrender, cancellation or other alteration of any of the investments comprised in the original holding or of the rights attached thereto; or

(b) any consideration consisting of any application, in paying up the new holding or any part of it, of assets of the company concerned or of any dividend or other distribution declared out of those assets but not made.

(5) If, in a case where this paragraph applies, the appropriate person sells, within the period referred to in sub-paragraph (1), any investments comprised in the new holding, the value on death of those investments shall be determined by the formula—

$$\frac{V_s(H - S)}{(V_s + V_r)}$$

where—

V_s is the sale value of the investments;

V_r is the market value at the time of the sale of any investments remaining in the new holding after the sale;

H is the value on death of the new holding; and

S is the value on death of any investments which were originally comprised in the new holding but have been sold on a previous occasion or occasions.

(6) Sub-paragraph (2) of paragraph 7 shall apply for the purposes of sub-paragraph (5) as it applies for the purposes of that paragraph.

Effect of purchase, etc., of investments of the same class

11.—(1) If, at any time within the period specified in sub-paragraph (c) of paragraph (1) of Article 3, the appropriate person sells any investments which form part of a holding of investments which are all of the same description and consist of—

(a) investments falling within sub-paragraphs (a) and (b) of that paragraph; and

(b) investments acquired by him, by purchase or otherwise, after the death concerned but not in circumstances in which paragraph 10 applies;

the investments so sold shall be apportioned for the purposes of Article 3 and this Schedule between those falling within paragraph (a) and those falling within paragraph (b) in the same proportion as, immediately before the sale, the investments comprised in the holding and falling within paragraph (a) bore to the investments so comprised and falling within paragraph (b).

(2) For the purposes of this paragraph, if the appropriate person holds investments of any description in the capacity of an executor or trustee, the investments shall not be treated as forming part of the same holding as investments which, though of the same description, are held by him otherwise than in that capacity.

Attribution of principal values to specific investments

12.—(1) This paragraph shall have effect in determining the principal value (and, accordingly, the market value for the purposes of capital gains tax under section 26 of the Finance Act 1965) of any investment (in this paragraph referred to as a "specific investment") which is included among the investments to which a claim relates.

(2) Subject to the following provisions of this paragraph, the principal value of a specific investment shall be its sale value.

(3) Subject to the following provisions of this paragraph, in a case where the calculation of the loss on sale of the investments to which a claim relates is affected by Article 3 (4)—

(a) if the value on death of a specific investment exceeds its sale price, the principal value of that investment shall be the aggregate of its sale value and an amount equal to the relevant proportion of the difference between its sale price and its value on death; and

(b) if the sale price of a specific investment exceeds its value on death, the principal value of the investment shall be its sale value less an amount equal to the relevant proportion of the difference between its value on death and its sale price.

(4) For the purposes of sub-paragraphs (2) and (3), the sale value of a specific investment in respect of which an amount has been paid in pursuance of a call, as mentioned in paragraph 9, shall be reduced by the amount so paid in respect of that investment.

(5) In a case where, by virtue of sub-paragraph (3) of paragraph 10, the value on death of the new holding, within the meaning of that paragraph, includes an amount equal to the consideration referred to in that sub-paragraph, the sale value of any specific investment comprised in the new holding shall be reduced, for the purposes of sub-paragraphs (2) and (3), by an amount which bears to that consideration the like proportion as the value on death of the specific investment sold bears to the value on death of the whole of the new holding.

(6) In sub-paragraph (3), "sale price", in relation to a specific investment, means the price for which the investment was sold by the appropriate person or, if it is greater, the best consideration which could reasonably have been obtained for the specific investment at the time of the sale; and paragraph 8 shall apply for the purposes of this sub-paragraph as it applies for the purposes of Article 3 (2) (b).

Loss on sale not to exceed principal value

13. In any case where, apart from this paragraph, the loss on sale of any investments—

(a) in respect of which an amount has been paid in pursuance of a call, as mentioned in paragraph 9; or

(b) which are sold as mentioned in paragraph 10 (5);

would exceed their basic principal value, their sale value shall be treated for the purposes of Article 3 and paragraph 12 as being of such an amount that the loss on sale would be equal to their basic principal value.

STAMP DUTY ON DOCUMENTS RELATING TO CHARGEABLE
TRANSACTIONS OF CAPITAL COMPANIES

PART I

CHARGEABLE TRANSACTIONS

1. Subject to the following provisions of this Schedule, the chargeable transactions for the purposes of Article 8 are—

- (a) the formation of a capital company;
- (b) an increase in the capital of a capital company by the contribution of assets of any kind;
- (c) an increase in the assets of a capital company by the contribution of assets of any kind in consideration, not of shares in the capital or assets of the company, but of rights of the same kind as those of members of the company, such as voting rights, a share in the profits or a share in the surplus on liquidation;
- (d) any transaction as a result of which the liability of a member of a capital company which, before the transaction, was unlimited becomes limited to his share in the company's capital, in particular, where the limitation of liability results from the conversion of a capital company into a different type of capital company;
- (e) the transfer to Northern Ireland from a third country of the place of effective management of a capital company if the registered office of the company is in a third country;
- (f) the transfer to Northern Ireland from a third country of the registered office of a capital company if the place of effective management of the company is in a third country;
- (g) the transfer to Northern Ireland from another member State of the place of effective management of a corporation or body of persons which is a capital company for the purposes of this Schedule but which is not treated as such in that other member State; and
- (h) the transfer to Northern Ireland from another member State of the registered office of a corporation or body of persons if—
 - (i) the place of effective management of the corporation or body is in a third country; and
 - (ii) the corporation or body is a capital company for the purposes of this Schedule but is not treated as such in the member State from which the transfer takes place.

2.—(1) For the purposes of paragraph 1 (a), "formation", in relation to a capital company—

- (a) includes the conversion into a capital company of a corporation or body of persons which, before the conversion, is not a capital company; and
- (b) does not include the conversion of a capital company into a different type of capital company or any alteration of the constituent instrument or regulations of the capital company.

(2) For the avoidance of doubt it is hereby declared that—

- (a) the conversion of loan stock of a capital company into share capital; and
- (b) the issue of shares in a capital company in satisfaction of a debt owed by the company;

are transactions falling within paragraph 1 (b).

3.—(1) Any reference in paragraph 1 to a corporation or body of persons being treated as a capital company in another member State is a reference to the corporation or body of persons being treated under the provisions of the law of that member State corresponding to Article 8 in a manner similar to that in which a corporation or body

of persons which is a capital company for the purposes of that Article is treated under that Article.

(2) In paragraph 1, "third country" means a country which is not, and does not form part of, a member State.

PART II

AMOUNT ON WHICH DUTY IS CHARGED

4.—(1) Subject to the following provisions of this Part, in the case of the relevant document relating to a chargeable transaction falling within any of sub-paragraphs (a) to (c) of paragraph 1, the amount on which duty is chargeable under Article 8 (5) shall be the actual value of assets of any kind contributed by the members.

(2) Sub-paragraph (1) shall not apply in the case of a chargeable transaction falling within paragraph 1 (a) which consists of the conversion into a capital company of a corporation or body of persons which, before the conversion, is not a capital company; and in the case of the relevant document relating to any such transaction, the amount on which duty is chargeable under Article 8 (5) shall, subject to the following provisions of this Part, be the actual value of the assets of any kind belonging to the capital company immediately after the conversion, less its liabilities at that time.

(3) If, in the case of a chargeable transaction falling within any of sub-paragraphs (a) to (c) of paragraph 1, the consideration provided by the capital company for the acquisition of all or any of the assets contributed as mentioned in sub-paragraph (1) consists, in whole or in part, of the assumption by the company of any liabilities transferred to it or the discharge by the company of any liabilities, the actual value of assets contributed shall be treated for the purposes of that sub-paragraph as reduced by an amount equal to the liabilities so assumed or discharged.

5. In the case of the relevant document relating to a chargeable transaction falling within paragraph 1 (d), the amount on which duty is chargeable under Article 8 (5) shall be the value of the share in the company's assets, less the share in the company's liabilities, which immediately before the transaction belonged to members who then had unlimited liability for the company's obligations but who, as a result of the transaction, have only a limited liability.

6.—(1) Subject to sub-paragraph (2) and paragraphs 7 and 8, in the case of the relevant document relating to a chargeable transaction falling within any of sub-paragraphs (e) to (h) of paragraph 1, the amount on which duty is chargeable under Article 8 (5) shall be the actual value of the assets of any kind belonging to the capital company at the time of the transaction, less its liabilities at that time.

(2) If the Ministry considers it appropriate to do so, in relation to the relevant document falling within sub-paragraph (1), it may for the purposes of that sub-paragraph treat the actual value of the shares in the capital company belonging to the members of the company at the time of the transaction to which the relevant document relates as being the amount on which duty is chargeable as mentioned in that sub-paragraph.

7.—(1) Notwithstanding anything in paragraph 4, if the amount on which, apart from this sub-paragraph, duty would be chargeable under Article 8 (5) in the case of the relevant document falling within that paragraph is less than—

- (a) if sub-paragraph (1) of that paragraph applies, the nominal value of the shares in the capital company allotted on the occasion of the transaction to which the relevant document relates; or
- (b) if sub-paragraph (2) of that paragraph applies, the nominal value of the shares in the capital company belonging to the members of the company immediately after the transaction to which the relevant document relates;

duty shall be chargeable under that Article in the case of that document, on an amount equal to that nominal value.

(2) Notwithstanding anything in sub-paragraph (1) of paragraph 6, but subject to sub-paragraph (2) of that paragraph, if the amount on which, apart from this sub-paragraph, duty would be chargeable under Article 8 (5) in the case of the relevant document falling within the said sub-paragraph (1) is less than the nominal value of the shares in the capital company belonging to the members of the company at the time of the transaction to which the relevant document relates, duty shall be chargeable under that Article, in the case of that document, on an amount equal to that nominal value.

8. Notwithstanding anything in the preceding provisions of this Part, in determining, in the case of any document, the amount on which duty is chargeable under Article 8 (5), no account shall be taken, except as provided in paragraph 5, of—

- (a) the amount of the assets contributed to a capital company by a member whose liability for the company's obligations is unlimited; or
- (b) the share of such a member in the company's assets.

PART III

EXEMPT TRANSACTIONS

9.—(1) Subject to the following provisions of this paragraph, a chargeable transaction falling within paragraph 1 (b) (in this paragraph referred to as "the relevant transaction") shall be an exempt transaction for the purposes of Article 8 if it is shown to the satisfaction of the Ministry that—

- (a) less than four years before the relevant transaction occurred, the nominal capital of the capital company concerned was reduced by any amount (in this paragraph referred to as "the amount of the reduction") as a result of losses sustained; and
- (b) either there has been in the interim period no chargeable transaction falling within paragraph 1 (b) in relation to the capital company concerned or the total of the increases in that company's capital which have been effected in the interim period by any such chargeable transaction (or transactions) is less than the amount of the reduction;

and, for the purposes of paragraph (b), "the interim period" means the period beginning with the reduction referred to in paragraph (a) and ending immediately before the relevant transaction.

(2) If—

- (a) the relevant transaction is an exempt transaction by virtue of sub-paragraph (1); and
- (b) the increase in the capital of the capital company concerned which is effected by the relevant transaction, taken with the increases (if any) which have been effected in the company's capital in the interim period as mentioned in paragraph (b) of that sub-paragraph, exceeds the amount of the reduction;

stamp duty shall be chargeable under Article 8 (5) on the relevant document relating to the relevant transaction, but only on such proportion of the amount determined in relation to that document under Part II as corresponds to the proportion which that excess bears to the total of the increase in capital effected by the relevant transaction.

(3) In any case where the reduction in nominal capital referred to in paragraph (a) of sub-paragraph (1) occurred on or before 31st July 1973, references in paragraph (b) of that sub-paragraph to a chargeable transaction falling within paragraph 1 (b) include references to a transaction which occurred before that date but which would have been such a chargeable transaction if this Schedule had been in force when the transaction occurred.

(4) If, in the case of the relevant transaction, it appears to the Ministry that the amount of the reduction in nominal capital referred to in sub-paragraph (1) (a) is greater than the total of the losses as a result of which the reduction occurred, sub-paragraphs (1) and (2) shall have effect as if for references to the amount of the reduction there were substituted references to the total of those losses.

(5) For the purposes of this paragraph, the increase in a company's capital effected by a transaction falling within sub-paragraph (1) (b) shall be—

- (a) the actual value of assets of any kind contributed, on the occasion of the transaction, by the members of the capital company to which the transaction relates; or
- (b) the nominal value of the shares in that capital company allotted on the occasion of the transaction;

whichever is the greater.

10.—(1) A chargeable transaction shall be an exempt transaction for the purposes of Article 8 (5) if it is shown to the satisfaction of the Ministry—

(a) that, by virtue of the transaction, a capital company which is in the process of being formed or which is already in existence—

- (i) has acquired share capital of another capital company to the extent that, after the transaction, not less than 75 per cent. of the issued share capital of that other company is beneficially owned by the first company; or
- (ii) has acquired the whole or any part of the undertaking of another capital company; and

(b) that the conditions specified in sub-paragraph (2) are fulfilled in relation to the transaction;

and, in this paragraph, the first company mentioned in paragraph (a) is referred to as "the acquiring company" and the other company mentioned in sub-paragraph (i) or (ii) of that paragraph is referred to as "the acquired company".

(2) The conditions referred to in sub-paragraph (1) are—

(a) that the place of effective management or the registered office of the acquired company is in a member State; and

(b) that so much, if any, of the consideration (taking no account of such part thereof as consists of the assumption or discharge by the acquiring company of liabilities of the acquired company) for the acquisition referred to in that sub-paragraph as does not consist—

- (i) where shares are to be acquired, of the issue of shares in the acquiring company to the holders of shares in the acquired company in exchange for the shares held by them in the acquired company;
- (ii) where the whole or any part of the undertaking is to be acquired, of the issue of shares in the acquiring company to the acquired company or to holders of shares in the acquired company;

consists wholly of a payment in cash which does not exceed 10 per cent. of the nominal value of the shares which make up the balance of the consideration.

(3) If, at any time within the period of five years beginning with the occurrence of a chargeable transaction which is an exempt transaction falling within paragraph (a) (i) of sub-paragraph (1), the acquiring company—

(a) ceases to retain at least 75 per cent. of the issued share capital of the acquired company; or

(b) disposes of any of the shares in the acquired company which it held immediately after the occurrence of the chargeable transaction;

duty shall then become chargeable, and shall be payable in accordance with sub-paragraph (4); but for the purpose of determining whether paragraph (a) or (b) applies, any disposal of shares shall be disregarded if it is effected—

- (i) by a transfer forming part of a chargeable transaction which is itself an exempt transaction by virtue of any provision of sub-paragraph (1); or
- (ii) in the course of the winding-up of the acquiring company.

(4) If sub-paragraph (3) applies, then, within one month of the date on which the holding of share capital referred to in paragraph (a) of that sub-paragraph first falls below 75 per cent. or, as the case may be, the date of the first disposal of any of the shares referred to in paragraph (b) of that sub-paragraph (in this paragraph referred to as "the date of charge"), there shall be paid to the Ministry duty corresponding to the

stamp duty which would have been charged under Article 8 (5) on the relevant document if the chargeable transaction had not been an exempt transaction.

(5) If sub-paragraph (4) applies, paragraph (7) of Article 8 shall apply—

- (a) as if the chargeable transaction had never been an exempt transaction; and
- (b) as if for the reference in the said paragraph (7) to the date of the transaction there were substituted a reference to the date of charge;

and, in addition, interest on the duty payable under that sub-paragraph at the rate of 5 per cent. per annum from the date when the chargeable transaction occurred to the date of charge shall be a debt due to the Ministry from the acquiring company.

PART IV

SUPPLEMENTARY PROVISIONS

11. Where, in pursuance of a compromise or arrangement falling within section 197 of the Companies Act (Northern Ireland) 1960 or otherwise, shares in a capital company are allotted to any persons in consideration of either the surrender by them or the cancellation of their shares in another company, then, for the purposes of Parts I to III, the shares so surrendered or cancelled shall be treated as being acquired by the capital company in exchange for the shares so allotted and, accordingly, as being assets contributed by those persons.

12. If, on the occasion of a chargeable transaction falling within any of sub-paragraphs (a) to (c) of paragraph 1, any person undertakes to contribute assets of any kind to a capital company at some future time, whether certain or uncertain, then—

- (a) for the purposes of the application of paragraph 4 in relation to that chargeable transaction, the giving of the undertaking shall not be treated as the contribution of an asset to the capital company; and
- (b) if, apart from this sub-paragraph, the making of a contribution to the assets of the capital company concerned in pursuance of the undertaking would not be a chargeable transaction, it shall be deemed, for the purposes of Article 8 and this Schedule, to be a chargeable transaction falling within paragraph 1 (c).

13. To the extent that the conveyance or transfer of assets to a capital company forms part of a chargeable transaction falling within paragraph 1 (a) or (b) and is made in consideration of the issue of shares in the company, no stamp duty shall be chargeable under the heading "Conveyance or Transfer on sale" in Schedule 1 to the Stamp Act 1891 on any instrument giving effect to the conveyance or transfer except in so far as the consideration is referable to the conveyance or transfer of—

- (a) stocks or securities; or
- (b) the whole or any part of an undertaking; or
- (c) any estate in land.

PART V

CONSEQUENTIAL AMENDMENTS

14. In subsection (4) of section 58 of the Companies Act (Northern Ireland) 1960 (issue of shares in pursuance of that subsection to the nominal amount of redeemed preference shares not to be an increase in share capital for purposes of enactments relating to stamp duty) for the words from "the share capital" to "pursuance of this sub-section" there shall be substituted the words "for the purposes of Article 8 of the Finance (Miscellaneous Provisions) (Northern Ireland) Order 1973, the issue of shares in pursuance of this subsection shall constitute a chargeable transaction if, and only if, the actual value of the shares so issued exceeds the value of the preference shares at the date of their redemption, and, where the issue of the shares does constitute a chargeable transaction for the purposes of that Article, the amount on which stamp duty on the relevant document relating to that transaction is chargeable under paragraph (5) of that Article shall be the difference between—

- (a) the amount on which that duty would be so chargeable if no preference shares had been or were about to be redeemed; and
- (b) the value of the preference shares at the date of their redemption."

SCHEDULE 3

Article 12 (1).

**AMENDMENTS CONSEQUENTIAL ON ESTABLISHMENT OF THE
STOCK EXCHANGE**

1. In section 42 of the Finance Act 1920 (a) for the word "dealer", wherever it occurs in subsections (1) and (2), there shall be substituted the word "jobber", and for the definition of "dealer" in subsection (3) there shall be substituted the following—

"The expression 'jobber' means a member of The Stock Exchange who is recognised by the Council thereof as carrying on the business of a jobber and carries on that business in the United Kingdom".

2. In section 15 (4) of the Finance (No. 2) Act (Northern Ireland) 1946 (b), for the words "the committee of a recognised stock exchange in the United Kingdom" there shall be substituted the words "the Council of The Stock Exchange" and for the words "that stock exchange" the words "The Stock Exchange".

3. In section 4 of the Finance Act (Northern Ireland) 1961 (c), for the word "dealer", wherever it occurs, there shall be substituted the word "jobber".

SCHEDULE 4

Article 16.

ENACTMENTS REPEALED

Chapter	Short Title	Extent of Repeal
54 & 55 Vict. c. 39	The Stamp Act 1891.	Section 82. In section 83, the words "makes, issues" and "or offers for subscription". Sections 112 and 113. In Schedule 1, the headings "Bond for securing the payment or repayment of money or the transfer or retransfer of stock", "Colonial Security", "Debenture for securing the payment or repayment of money or the transfer or retransfer of stock", "Foreign Security", and "Marketable Security".
59 & 60 Vict. c. 28	The Finance Act 1896.	Section 12.
62 & 63 Vict. c. 9	The Finance Act 1899.	Sections 7 and 8.
3 Edw. 7 c. 46	The Revenue Act 1903.	Section 5.
7 Edw. 7 c. 13	The Finance Act 1907.	Section 10.
7 Edw. 7 c. 24	The Limited Partnerships Act 1907.	Section 11.
10 & 11 Geo. 5 c. 18	The Finance Act 1920.	Section 39.
18 & 19 Geo. 5 c. 9	The Finance Act (Northern Ireland) 1928.	In section 4, in subsection (1), paragraph (A), and subsection (4).
21 & 22 Geo. 5 c. 24	The Finance Act (Northern Ireland) 1931.	Section 4.

(a) 1920 c. 18. (b) 1946 c. 17 (N.I.). (c) 1961 c. 10 (N.I.).

Chapter	Short Title	Extent of Repeal
23 & 24 Geo. 5 c. 28	The Finance Act (Northern Ireland) 1933.	Section 1.
26 Geo. 5 and 1 Edw. 8 c. 23	The Finance (Companies' Stamp Duty) Act (Northern Ireland) 1936.	In section 1, the provision of the Finance Act (Northern Ireland) 1928 repealed above.
26 Geo. 5 and 1 Edw. 8 c. 33	The Finance Act (Northern Ireland) 1936.	Section 8.
1947 c. 15	The Finance Act (Northern Ireland) 1947.	Section 11.
1963 c. 22	The Finance Act (Northern Ireland) 1963.	In section 6 (1), the words "Marketable Security, paragraph (1) (b) (security not transferable by delivery)" and the words "Finance Act 1899, section 8". Section 7. In section 8, in subsection (1), the words "and paragraph (1) (a) and (c) and paragraphs (3) and (4) of the heading 'Marketable Security'", and, in subsection (2), the words from "and section 82" to the end of the subsection. In section 11, in subsection (3), the words "82 and" and, in subsection (5), the words from "and in section 82" to the end of the subsection. Section 15.
1964 c. 24	The Finance Act (Northern Ireland) 1964.	Section 2.
1967 c. 20	The Finance Act (Northern Ireland) 1967.	Section 5. In section 6, subsection (1), in subsection (3) the words "(1) and" and subsections (4) and (5).
1968 c. 17	The Finance Act (Northern Ireland) 1968.	Section 7.
1969 c. 18	The Finance Act (Northern Ireland) 1969.	Section 8.
1970 c. 21	The Finance Act (Northern Ireland) 1970.	In Schedule 2, paragraph 15.

1. Subject to paragraphs 2 to 5, these repeals have effect on and after 1st August 1973 but do not apply in relation to any case where stamp duty may be chargeable after that date in accordance with Article 10 (1).

2. In so far as they relate to duty chargeable—

(a) by virtue of the heading “Marketable Security” in Schedule 1 to the Stamp Act 1891; and

(b) under section 8 of the Finance Act 1899 (on loan capital);

these repeals shall be deemed to have had effect on and after 1st January 1973.

3. The repeals (other than those mentioned in paragraphs 4 and 5) are without prejudice to Article 10 (3) (a) and (9).

4. The repeal of section 4 of the Finance Act (Northern Ireland) 1931 shall be deemed to have come into operation on 25th March 1973 but shall not affect the operation of any enactment in relation to anything done before that day.

5. The repeal of section 8 of the Finance Act (Northern Ireland) 1936 has effect on and after 31st July 1973.

EXPLANATORY NOTE

(This Note is not part of the Order.)

Part II of this Order amends the law in Northern Ireland relating to estate duty, and Part III that relating to stamp duty. The remaining provisions (which are contained in Part IV of the Order) deal with miscellaneous matters. Article 11 deals with borrowing in sterling or foreign currency. Article 12 makes provision consequential on establishment of The Stock Exchange. Article 13 empowers the Ministry of Finance to borrow money for the purpose of making advances to the Northern Ireland Housing Executive. Article 14 provides for the exclusion of attendance allowance when calculating reckonable income for rate rebate and Article 15 provides for the aggregate amount of certain investment grants to be restricted by Order made subject to negative resolution.