

SCHEDULE 7

STAMP DUTIES

PART I

ABOLITION OF CERTAIN DUTIES

Duties abolished as from 1st August 1970

- 1 (1) This paragraph has effect as from 1st August 1970. (2) The following stamp duties are hereby abolished—
- (a) the duty of 6d. specified in Schedule 1 to the Stamp Act 1891 under the heading beginning " Agreement or any Memorandum of an Agreement " (the provisions consequential on this abolition being those contained in sub-paragraph (3) below);
 - (b) the duty of 6d. specified in that Schedule under the heading " Policy of Insurance other than Life Insurance " inserted by section 30(1) of the Finance Act 1959 (and so that a policy of insurance other than life insurance shall be exempt from all stamp duties);
 - (c) the duty of £10 or £6 imposed on a certificate of registration for an alkali or other works by section 9(6) of the Alkali, &c. Works Regulation Act 1906 as amended by section 47 of the Finance Act 1922 ; and
 - (d) the duty of 10s. imposed on the memorandum and on the articles of association of a company by virtue of section 3 and section 9(c) respectively of the Companies Act 1948 (which provide that each of those documents is to be stamped as if it were a deed).
- (3) In consequence of sub-paragraph (2)(d) above—
- (a) in subsections (1) and (2) of section 23 of the Stamp Act 1891 (certain mortgages of stock to be chargeable as agreements), for " shall be deemed to be an agreement, and shall be charged with duty accordingly" substitute
"shall be exempt from duty",
 - (b) in section 59 of that Act (certain contracts for sale to be chargeable ad valorem as conveyances)—
 - (i) in subsection (2) (sub-contracts under which the consideration does not exceed that for the original sale to be charged only as deeds or agreements), for " and in any other case with the fixed duty of ten shillings or of sixpence, as the case may require " substitute
"but shall not otherwise be chargeable except where appropriate with the fixed duty of 10s.", and
 - (ii) in subsection (5) (stamping of conveyances made in conformity with contracts not stamped ad valorem but stamped with the fixed duty of 10s. or 6d.), for the words from the beginning to " the said fixed duty" substitute
"Provided that where any such contract or agreement is stamped with the fixed duty of 10s. or would, apart from this section, not be chargeable with any duty", and

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- (c) in section 7 of the Finance Act 1907 (hire purchase agreements to be charged only as deeds or agreements), for the words from " shall be charged " to the end substitute

“shall only be charged with stamp duty if under seal (or, in Scotland, with a clause of registration), and shall then be so charged as a deed”.

Duties abolished as from 1st February 1971

- 2 (1) This paragraph has effect as from 1st February 1971.
- (2) The following stamp duties are hereby abolished—
- (a) the duty of 2d. specified in Schedule 1 to the Stamp Act 1891 under the heading beginning "Bill of Exchange or Promissory Note" inserted by section 33(1) of the Finance Act 1961 ; and
- (b) the duty of 2d. specified in that Schedule under the heading beginning " Receipt".
- (3) No application for relief in respect of the duty referred to in sub-paragraph (2)(a) above may be made under any of sections 9 to 12 of the Stamp Duties Management Act 1891 (spoiled, misused and unwanted stamps); and no repayment shall be made under any agreement entered into under section 39 of the Finance Act 1956 (composition for the said duty by bankers) in respect of any form supplied by a banker to a customer and returned to the banker unused or spoiled on or after the said 1st February.

PART II

GENERAL AMENDMENTS

- 3 This Part of this Schedule, except paragraph 5, has effect as from 1st August 1970.

Agreements for purposes of Highway Acts

- 4 An instrument shall be chargeable with stamp duty under the heading in Schedule 1 to the Stamp Act 1891 beginning "Agreement or Contract made or entered into pursuant to the Highway Acts " only if it is under seal, or, in Scotland, only if it has a clause of registration, and shall then be so chargeable with a duty of 1s.

Bank notes (composition)

- 5 (1) This paragraph applies to any agreement under section 7 of the Bankers' Composition (Scotland) Act 1853 which is in force at the passing of this Act, and which makes provision for periodic payments, calculated by reference to the value of notes in circulation, in lieu of the duty chargeable under the heading " Bank Note " in Schedule 1 to the Stamp Act 1891.
- (2) As respects any period beginning after 26th December 1970, the payments due under any agreement to which this paragraph applies shall be calculated as if for any reference in the agreement to a rate of 4s. 2d. per £100 there were substituted a reference to a rate of 4s. per £100.

Bearer instruments

- 6 (1) The heading " Bearer Instrument" inserted in Schedule 1 to the Stamp Act 1891 by section 59(1) of the Finance Act 1963 shall be amended as follows.
- (2) In paragraph (3) (instrument excepted from paragraph (1) or (2) ; duty of 6d. for every £25, or part of £25, of market value), for " 6d." substitute
- "Is.",
and for " £25 " (in each place) substitute
- "£50".
- (3) In paragraph (4) (duty of 6d. on substituted instrument), for
- "6d."
 "Is.".
- (4) Where an overseas bearer instrument in respect of a loan expressed in sterling has been stamped ad valorem, or with the denoting stamp referred to in section 60(3) of the Finance Act 1963, or with duty under paragraph (4) of the said heading, duty shall not be charged under that heading by reason only that the instrument is amended on its face pursuant to an agreement for the variation of any of its original terms or conditions.

Bond, covenant, etc.

- 7 (1) The heading beginning " Bond, Covenant " in Schedule 1 to the Stamp Act 1891 shall be amended as follows.
- (2) In paragraph (1) (only or principal security for annuity or other periodic payment; duty of 2s. 6d. for every £5 or part if for an indefinite period), for the reference to 2s. 6d. substitute a reference to 2s.
- (3) In paragraph (2) (collateral etc. security for annuity or other periodic payment; duty of 6d. for every £5 or part if total amount payable cannot be ascertained), for the reference to 6d. substitute a reference to 1s., and for each reference to £5 substitute a reference to £10.
- (4) In paragraph (3) (grant or contract for payment of superannuation annuity ; duty of 6d. for every £5 or part), for the reference to 6d. substitute a reference to 1s., and for each reference to £5 substitute a reference to £10.

Bonds not otherwise chargeable

- 8 In the heading " Bond of any kind whatsoever not specifically charged with any duty " in Schedule 1 to the Stamp Act 1891 (under which a bond is chargeable with the same ad valorem duty as one for the amount limited to be recoverable if that amount does not exceed £300, and with a duty of 10s. in any other case), for " £300 " substitute
- "£400".

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Contract notes

- 9 (1) In section 77(1) of the Finance (1909-10) Act 1910 (duties on contract notes for sale or purchase of stock or marketable securities of £5 or more in value), for all the words after " the following stamp duties " substitute—

Where the value of the stock or marketable security—

exceeds £100 and does not exceed £500	2s.
exceeds £500 and does not exceed £1,500	6s.
exceeds £1,500	12s."

- (2) In consequence of sub-paragraph (1) above, in subsections (1) and (3) of section 78 of the said Act of 1910 (duty to execute contract note as respects stock etc. of £5 or more in value), for " the value of five pounds or upwards " or " a value of five pounds or upwards ", wherever occurring, substitute

“a value exceeding £100”.

- (3) In subsection (4) of the said section 78 (duty on contract note to be denoted by an appropriated adhesive stamp, and the stamp to be effectively cancelled), after " denoted" insert

“either by an impressed stamp or”,
and for " and the stamp " substitute

“and any such adhesive stamp”.

Conveyance or transfer on sale

- 10 For the Table set out in Part I of Schedule 11 to the Finance Act 1963 (ad valorem duty on conveyance or transfer on sale) as amended by section 27(1) of the Finance Act 1967 substitute the following:—

<i>Amount or value of consideration</i>	<i>Special rate for certain instruments certified at £7,000</i>	<i>Ordinary rate</i>
Not exceeding £5	1s.	1s.
Exceeding £5 but not exceeding £100.	1s. for every £10 or part of £10 of the consideration.	2s. for every £10 or part of £10 of the consideration.
Exceeding £100 but not exceeding £300.	2s. for every £20 or part of £20 of the consideration.	4s. for every £20 or part of £20 of the consideration.
Exceeding £300	5s. for every £50 or part of £50 of the consideration.	10s. for every £50 or part of £50 of the consideration.

- 11 In section 62(2) of the Finance Act 1963 (rate of duty in respect of a transfer of commonwealth government stock to be one-quarter of that which would otherwise be chargeable, or, if the amount or value of the consideration does not exceed £5, 3d.), for the words from " one-quarter " to the end substitute

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“Is. for every £20 or part of £20 of the consideration if the amount or value thereof does not exceed £300, and, in any other case, 5s. for every £100 or part of £100 of the consideration”.

- 12 Section 59(4) of the Stamp Act 1891 (contract for sale not stamped ad valorem but stamped with fixed duty of 10s. or 6d. to be treated as duly stamped for certain purposes) shall cease to have effect.
- 13 (1) Section 114 of the Stamp Act 1891 (composition for stamp duty on transfers of colonial etc. stock) shall cease to have effect, but transfers of any stock in respect of which payments have been made under that section shall continue to be exempt from stamp duty.
- (2) In section 37(2) of the Finance Act 1939 (composition agreements in respect of colonial etc. stock: rate of payment per £100 of aggregate nominal amount of stock) for "three pence for every one hundred pounds and any fraction of one hundred pounds " substitute

“Is. for every £400 and any fraction of £400”; and any agreement entered into for the purposes of the said section 37 before the passing of this Act shall, so far as it relates to payments to be made on or after 1st August 1970, have effect as if it provided for the making of those payments at the rate at which duty is chargeable under that section by virtue of this sub-paragraph.

Lease or tack

- 14 In section 75(2) of the Stamp Act 1891 (duty of 6d. on lease or tack if preceded by an agreement duly stamped as an actual lease or tack), for " sixpence " substitute
- “Is.”.

Loan capital duty

- 15 (1) Where duty on a statement of loan capital is charged under section 8 of the Finance Act 1899 at the rate of 10s. for every £100, or part of £100, imposed by section 28(1) of the Finance Act 1967, any repayment in respect of that duty under section 10(1) of the Finance Act 1907 shall be at a rate of 19s. for every £200 of the loan capital shown to the satisfaction of the Commissioners to have been applied for the purpose of the conversion or consolidation of existing loan capital, instead of at the rate of 9s. 6d. for every £100 provided for by section 28(5) of the said Act of 1967.
- (2) Where—
- (a) there is for the purposes of the charge to duty under section 8 of the Finance Act 1899 an issue of loan capital by a body corporate consisting in the assumption by that body corporate of liability under a mortgage or charge subject to which property is conveyed or transferred to it by another body corporate, and
 - (b) the conveyance or transfer is exempt from duty by virtue of section 42 of the Finance Act 1930 (associated companies),
- the first mentioned body corporate shall be treated as having applied the loan capital in the conversion of existing loan capital, and section 10 of the Finance Act 1907 shall have effect accordingly.

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Mortgages etc.

- 16 (1) The heading beginning " Mortgage, Bond, Debenture, Covenant" in Schedule 1 to the Stamp Act 1891 shall be amended in accordance with sub-paragraphs (2) and (3) below.
- (2) In paragraph (1) of that heading (only, or principal or primary, security), for the words from " Not exceeding £10" to the end substitute—

"Not exceeding £300	Is. for every £50 or part of £50 of the amount secured.
Exceeding £300 2s. for every £100 or part of £100 of the amount secured ".

- (3) In paragraphs (2), (4) and (5) of that heading (collateral etc. securities, transfers etc. and re-conveyances etc.: duty of 6d. for every £100 or part), for each reference to 6d. substitute a reference to 1s., and for each reference to £100 substitute a reference to £200.
- (4) The duty chargeable under paragraph (4) of the said heading on the transfer, assignment, disposition or assignation to any person of, or of the money or stock secured by, any collateral, auxiliary, additional or substituted security (including any instrument by way of further assurance) shall not exceed 10s. if a transfer, assignment, disposition or assignation to the same person of (or, as the case may be, of the money or stock secured by) the principal or primary security has been duly stamped with the duty chargeable under that paragraph.
- (5) Paragraph (5) of the said heading shall also be amended by inserting, after
 "Renunciation", the words " in whole or in part" ; and the duty chargeable under that paragraph shall not in any case exceed 10s.

Policies of life insurance

- 17 (1) The following shall be substituted for the heading
 "Policy of Life Insurance" in Schedule 1 to the Stamp Act 1891—
 "POLICY OF LIFE INSURANCE—

Where the amount insured exceeds £50 but does not exceed £1,000.	1s. for every £100 or part of £100 of the amount insured.
Where the amount insured exceeds £1,000.	10s. for every £1,000 or part of £1,000 of the amount insured.

And see sections 91, 98 and 100".

- (2) In subsections (1) and (3) of section 47 of the Finance Act 1966 (maximum duty of 6d. on policy of life insurance made for period not exceeding two years), for " sixpence " substitute
 "Is."

- (3) A policy of life insurance which is made solely in connection with the re-insurance of a risk to which a policy duly stamped under the heading " Policy of Life Insurance " relates shall be chargeable with duty under that heading only if it is under seal, or, in Scotland, only if it has a clause of registration, and the duty then chargeable shall not exceed 10s.

PART III

SPECIAL PROVISIONS CONNECTED WITH THE NEW CURRENCY

Bank notes (rates)

- 18 As from 15th February 1971, the heading "Bank Note" in Schedule 1 to the Stamp Act 1891 shall be amended by substituting for the references to 5d., 10d., 1s. 3d., 1s. 9d., 2s. 0d., 3s. 0d., 5s. 0d. and 8s. 6d. references respectively to 2p., 4p., 6p., 9p., 10p., 15p., 25p. and 43p.

Late stamping etc.

- 19 (1) Where immediately before 15th February 1971 any instrument chargeable with stamp duty is either not stamped or overstamped or insufficiently stamped, the amount of duty then chargeable, or properly chargeable, on the instrument, or, in the case of an insufficiently stamped instrument, the amount of additional duty then chargeable thereon, shall thereafter become, for all the purposes of the enactments relating to stamp duties—
- (a) the equivalent of that amount in the new currency, reduced where that equivalent is not a multiple of 5p. to the nearest such multiple, or
 - (b) 5p. if the said equivalent is less than 10p.
- (2) In sub-paragraph (1) above, " the new currency " means the new currency of the United Kingdom provided for by the Decimal Currency Act 1967.