



# Finance Act 1986

## 1986 CHAPTER 41

### PART III

#### STAMP DUTY

*Loan capital, letters of allotment etc.*

#### 85 Supplementary

- (1) Section 42(1) of the Finance Act 1920<sup>M1</sup> (reduction of duty in case of certain transfers to jobbers or nominees or qualified dealers) shall have effect, in the case of any transfer giving effect to a transaction carried out on or after the day of The Stock Exchange reforms as if the following were omitted —
  - (a) in that subsection, the words “a jobber or his nominee or to” and in the proviso to it the words “jobber or” (in each place);
  - (b) in subsection (3) of that section, paragraph (d) of the definition of “qualified dealer” (Stock Exchange brokers).
- (2) Section 34 of the Finance Act 1961<sup>M2</sup> and section 4 of the Finance Act (Northern Ireland) 1961<sup>M3</sup> (borrowing of stock by jobbers) shall not apply where stock is transferred in discharge of an undertaking given on or after the day of The Stock Exchange reforms.
- (3) Section 42(1) of the Finance Act 1920 shall not apply to any transfer giving effect to a transaction carried out on or after such day as is specified for this purpose in regulations made under section 81(5) above; and different days may be so specified for different purposes.
- (4) Section 127(2) of the Finance Act 1976<sup>M4</sup> (transfer otherwise than on sale from stock exchange nominee to jobber) shall not apply to any transfer giving effect to a transaction carried out on or after the day of The Stock Exchange reforms.
- (5) In sections 81, 82 and 84 above and this section—

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1986, Section 85. (See end of Document for details)*

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- (a) “the day of The Stock Exchange reforms” means the day on which the rule of The Stock Exchange that prohibits a person from carrying on business as both a broker and a jobber is abolished,
- (b) references to a recognised investment exchange are to a recognised investment exchange within the meaning [<sup>F1</sup>given by section 285(1)(a) of the Financial Services and Markets Act 2000],
- [<sup>F2</sup>(c) “recognised clearing house”, “recognised CSD”, <sup>F3</sup>... and “third country CSD” have the meanings given by section 285(1)(b), (e) <sup>F4</sup>... and (g) of the Financial Services and Markets Act 2000],
- (d) “stock” includes marketable security.

#### Textual Amendments

- F1** Words in s. 85(5)(b) substituted (with effect as mentioned in art. 8(4) of the amending S.I.) by S.I. 2001/3629, **art. 8(2)**
- F2** S. 85(5)(c) substituted (28.11.2017) by [The Central Securities Depositories Regulations 2017](#) (S.I. 2017/1064), **reg. 1**, **Sch. para. 4(3)** (with **regs. 7(4), 9(1)**)
- F3** Words in s. 85(5)(c) omitted (31.12.2020) by virtue of [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/662), **regs. 1(3), 21(3)** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F4** Words in s. 85(5)(c) omitted (31.12.2020) by virtue of [The Investment Exchanges, Clearing Houses and Central Securities Depositories \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/662), **regs. 1(3), 21(3)** (with savings in S.I. 2019/680, **reg. 11**); 2020 c. 1, **Sch. 5 para. 1(1)**

#### Marginal Citations

- M1** 1920 c. 18.
- M2** 1961 c. 36.
- M3** 1961 c. 10 (N. I.).
- M4** 1976 c. 40.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1986, Section 85.