



Finance Act 1990

1990 CHAPTER 29

PART III **U.K.**

STAMP DUTY AND STAMP DUTY RESERVE TAX

Repeals

[^{F1}107 Stamp duty to be abolished on bearer instruments. **U.K.**

- (1) Stamp duty shall not be chargeable under Schedule 15 to the Finance Act 1999 (bearer instruments).
- (2) Subsection (1) above applies in relation to the charge under paragraph 1 of that Schedule (charge on issue) where the instrument is issued on or after the abolition day.
- (3) Subsection (1) above applies in relation to the charge under paragraph 2 of that Schedule (charge on transfer of stock) where the stock constituted by or transferable by means of the instrument is transferred on or after the abolition day.]

Textual Amendments

- F1** [S. 107](#) substituted (27.7.1999 with application in relation to bearer instruments issued on or after 1.10.1999) by [1999 c. 16, s. 113\(3\)\(4\), Sch. 16 para. 12](#)

108 Transfer of securities: abolition of stamp duty. **U.K.**

- [^{F2}(1) Stamp duty shall not be chargeable under Schedule 13 to the Finance Act 1999 (transfer of securities) [^{F3}or section 67(3) or 70(3) of the Finance Act 1986 (stamp duty on certain transfers to depositary receipt systems and clearance systems)].]
- (7) Subject to subsection (8) below, this section applies if the instrument is executed in pursuance of a contract made on or after the abolition day.
 - (8) In the case of an instrument—

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- (a) which falls within section 67(1) or (9) of the ^{M1}Finance Act 1986 (depository receipts) or section 70(1) or (9) of that Act (clearance services), or
 - (b) which does not fall within section 67(1) or (9) or section 70(1) or (9) of that Act and is not executed in pursuance of a contract,
- this section applies if the instrument is executed on or after the abolition day.

Textual Amendments

- F2** S. 108(1) substituted for s. 108(1)-(6) (with effect in accordance with s.125(8) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 20 para. 5](#)
- F3** Words in s. 108(1) inserted (with effect in accordance with s. 99(2) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 32 para. 19](#)

Marginal Citations

- M1** 1986 c. 41.

109 Stamp duty: other repeals. U.K.

- (1) Section 83 of the ^{M2}Stamp Act 1891 (fine for certain acts relating to securities) shall not apply where an instrument of assignment or transfer is executed, or a transfer or negotiation of the stock constituted by or transferable by means of a bearer instrument takes place, on or after the abolition day.
- (2) The following provisions (which relate to the cancellation of certain instruments) shall not apply where the stock certificate or other instrument is entered on or after the abolition day—
 - (a) section 109(1) of the Stamp Act 1891,
 - (b) section 5(2) of the ^{M3}Finance Act 1899,
 - ^{F4}(c)
 - ^{F4}(d)
- (3) Section 67 of the ^{M4}Finance Act 1963 (prohibition of circulation of blank transfers) shall not apply where the sale is made on or after the abolition day; and section 16 of the ^{M5}Finance Act (Northern Ireland) 1963 (equivalent provision for Northern Ireland) shall not apply where the sale is made on or after the abolition day.
- (4) No person shall be required to notify the Commissioners under section 68(1) or (2) or 71(1) or (2) of the Finance Act 1986 (depository receipts and clearance services) if he first issues the receipts, provides the services or holds the securities as there mentioned on or after the abolition day.
- (5) No company shall be required to notify the Commissioners under section 68(3) or 71(3) of that Act if it first becomes aware as there mentioned on or after the abolition day.
- (6) The following provisions shall cease to have effect—
 - ^{F4}(a)
 - ^{F4}(b)
 - (c) section 33 of the ^{M6}Finance Act 1970 (composition by financial institutions in respect of stamp duty),

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- (d) section 127(7) of the ^{M7}Finance Act 1976 (extension of composition provisions to Northern Ireland), and
 - (e) section 85 of the ^{M8}Finance Act 1986 (provisions about stock, marketable securities, etc.).
- (7) The provisions mentioned in subsection (6) above shall cease to have effect as provided by the Treasury by order.
- (8) An order under subsection (7) above—
- (a) shall be made by statutory instrument;
 - (b) may make different provision for different provisions or different purposes;
 - (c) may include such supplementary, incidental, consequential or transitional provisions as appear to the Treasury to be necessary or expedient.

^{F4}(9)

Textual Amendments

F4 S. 109(2)(c)(d)(6)(a)(b)(9) repealed (27.7.1999 with effect in relation to instruments executed on or after 6.2.2000) by 1999 c. 16, s. 139, **Sch. 20 Pt. V(5)**, Note 1

Marginal Citations

M2 1891 c. 39.
M3 1899 c. 9.
M4 1963 c. 25.
M5 1963 c. 22 (N.I.).
M6 1970 c. 24.
M7 1976 c. 40.
M8 1986 c. 41.

110 Stamp duty reserve tax: abolition. U.K.

- (1) Stamp duty reserve tax shall cease to be chargeable.
- (2) In relation to the charge to tax under section 87 of the Finance Act 1986 subsection (1) above applies where—
 - (a) the agreement to transfer is conditional and the condition is satisfied on or after the abolition day, or
 - (b) the agreement is not conditional and is made on or after the abolition day.
- (3) In relation to the charge to tax under section 93(1) of that Act subsection (1) above applies where securities are transferred, issued or appropriated on or after the abolition day (whenever the arrangement was made).
- (4) In relation to the charge to tax under section 96(1) of that Act subsection (1) above applies where securities are transferred or issued on or after the abolition day (whenever the arrangement was made).
- (5) In relation to the charge to tax under section 93(10) of that Act subsection (1) above applies where securities are issued or transferred on sale, under terms there mentioned, on or after the abolition day.

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- (6) In relation to the charge to tax under section 96(8) of that Act subsection (1) above applies where securities are issued or transferred on sale, under terms there mentioned, on or after the abolition day.
- (7) Where before the abolition day securities are issued or transferred on sale under terms mentioned in section 93(10) of that Act, in construing section 93(10) the effect of subsections (1) and (3) above shall be ignored.
- (8) Where before the abolition day securities are issued or transferred on sale under terms mentioned in section 96(8) of that Act, in construing section 96(8) the effect of subsections (1) and (4) above shall be ignored.

111 General. **U.K.**

- (1) In sections 107 to 110 above “the abolition day” means such day as may be appointed by the Treasury by order made by statutory instrument.
- (2) Sections 107 to 109 above shall be construed as one with the ^{M9}Stamp Act 1891.

Marginal Citations

M9 1891 c. 39.

Paired shares

112 Stamp duty. **U.K.**

- (1) In section 143 of the ^{M10}Finance Act 1988 (paired shares) in subsection (1)(b) for the words “an equal number of” there shall be substituted the word “ other ”.
- (2) Subsection (1) above applies where—
 - (a) the offers referred to in section 143(1) are made, or are to be made, on or after the day on which this Act is passed, and
 - (b) before the offers are made, or are to be made, units comprising shares in the two companies concerned were offered (whether before or on or after the day on which this Act is passed) in circumstances where section 143 applied without the amendment made by subsection (1) above.

Marginal Citations

M10 1988 c. 39.

113 Stamp duty reserve tax. **U.K.**

- (1) Section 99 of the ^{M11}Finance Act 1986 (stamp duty reserve tax: interpretation) shall be amended as follows.
- (2) In subsection (6A) (paired shares) in paragraph (b) for the words “an equal number of” there shall be substituted the word “ other ”.
- (3) The following subsection shall be inserted after subsection (6A)—

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“(6B) For the purposes of subsection (4) above, shares issued by a body corporate which is not incorporated in the United Kingdom (“the foreign company”) are paired with shares issued by a body corporate which is so incorporated (“the UK company”) where—

- (a) the articles of association of the UK company and the equivalent instruments governing the foreign company each provide that no share in the company to which they relate may be transferred otherwise than as part of a unit comprising one share in that company and one share in the other, and
- (b) the shares issued by the foreign company, and the shares issued by the UK company, are issued to give effect to an allotment of the shares (as part of such units) as fully or partly paid bonus shares.”

^{F5}(4)

(5) Subsection (2) above applies where—

- (a) the offers referred to in section 99(6A) are made on or after the day on which this Act is passed, and
- (b) before the offers are made, units comprising shares in the two companies concerned were offered (whether before or on or after the day on which this Act is passed) in circumstances where section 99(6A) applied without the amendment made by subsection (2) above.

(6) Subsections (3) and (4) above apply where—

- (a) the shares referred to in section 99(6B) are issued on or after the day on which this Act is passed, and
- (b) before they are issued, units comprising shares in the two companies concerned were offered (whether before or on or after the day on which this Act is passed) in circumstances where section 99(6A) applied without the amendment made by subsection (2) above.

Textual Amendments

F5 S. 113(4) repealed (22.7.1999 with effect in relation to instruments executed on or after 6.2.2000) by 1999 c. 16, s. 139, Sch. 20 Pt. V(5) Note 1

Marginal Citations

M11 1986 c. 41.

International organisations

114 International organisations. U.K.

(1) In section 126 of the ^{M12}Finance Act 1984 (tax exemptions in relation to designated international organisations) in subsection (3) the following paragraph shall be inserted after paragraph (c)—

“(d) no stamp duty reserve tax shall be chargeable under section 93 (depository receipts) or 96 (clearance services) of the Finance Act 1986 in respect of the issue of securities by the organisation.”

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for the Finance Act 1990, Part III. (See end of Document for details)*

- (2) Where an organisation or body is designated under section 126(1) or (4) before the day on which this Act is passed, subsection (1) above applies in relation to the issue of securities by the organisation or body on or after that day.
- (3) Where an organisation or body is designated under section 126(1) or (4) on or after the day on which this Act is passed, subsection (1) above applies in relation to the issue of securities by the organisation or body after the designation.

Marginal Citations

M12 [1984 c. 43.](#)

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1990, Part III.