



Limited Liability Partnerships Act 2000

2000 CHAPTER 12

Taxation

12 Stamp duty.

- (1) Stamp duty shall not be chargeable on an instrument by which property is conveyed or transferred by a person to a limited liability partnership in connection with its incorporation within the period of one year beginning with the date of incorporation if the following two conditions are satisfied.
- (2) The first condition is that at the relevant time the person—
 - (a) is a partner in a partnership comprised of all the persons who are or are to be members of the limited liability partnership (and no-one else), or
 - (b) holds the property conveyed or transferred as nominee or bare trustee for one or more of the partners in such a partnership.
- (3) The second condition is that—
 - (a) the proportions of the property conveyed or transferred to which the persons mentioned in subsection (2)(a) are entitled immediately after the conveyance or transfer are the same as those to which they were entitled at the relevant time, or
 - (b) none of the differences in those proportions has arisen as part of a scheme or arrangement of which the main purpose, or one of the main purposes, is avoidance of liability to any duty or tax.
- (4) For the purposes of subsection (2) a person holds property as bare trustee for a partner if the partner has the exclusive right (subject only to satisfying any outstanding charge, lien or other right of the trustee to resort to the property for payment of duty, taxes, costs or other outgoings) to direct how the property shall be dealt with.
- (5) In this section “the relevant time” means—
 - (a) if the person who conveyed or transferred the property to the limited liability partnership acquired the property after its incorporation, immediately after he acquired the property, and
 - (b) in any other case, immediately before its incorporation.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Limited Liability Partnerships Act 2000. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

- (6) An instrument in respect of which stamp duty is not chargeable by virtue of subsection (1) shall not be taken to be duly stamped unless—
- (a) it has, in accordance with section 12 of the ^{M1}Stamp Act 1891, been stamped with a particular stamp denoting that it is not chargeable with any duty or that it is duly stamped, or
 - (b) it is stamped with the duty to which it would be liable apart from that subsection.

Annotations:

Marginal Citations

M1 1891 c. 39.

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Changes and effects yet to be applied to the whole Act, associated Parts and Chapters:

- Act extended (Northern Ireland) by [2006 c. 46 s. 1286\(1\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4A inserted by [S.I. 2009/1804 Sch. 3 para. 3](#)

Commencement Orders yet to be applied to the Limited Liability Partnerships Act 2000:

Commencement Orders bringing legislation that affects this Act into force:

- [S.I. 2004/3322 art. 2 Sch. 1-3](#) commences ([1989 c. 40](#) and [2004 c. 27](#))
- [S.I. 2008/1886 art. 2](#) commences ([2006 c. 46](#))
- [S.I. 2008/2860 art. 3 4 Sch. 1](#) commences ([2006 c. 46](#))