

SCHEDULES

SCHEDULE 35

STAMP DUTY: WITHDRAWAL OF RELIEF FOR COMPANY ACQUISITIONS: SUPPLEMENTARY PROVISIONS

Change of control due to intra-group transfer

- 3 (1) Section 113 does not apply by reason of control of the acquiring company changing as a result of a transfer of shares (“the intra-group transfer”) in relation to which group relief applies.
- (2) In this paragraph—
- (a) “group relief” means relief under section 42 of the Finance Act 1930 (c. 28) or section 11 of the Finance Act (Northern Ireland) 1954 (c. 23 (N.I.)) (transfer of property between associated bodies corporate); and
 - (b) references to a transfer in relation to which group relief applies are to a transfer such that an instrument effecting the transfer is exempt from stamp duty by virtue of either of the group relief provisions.
- (3) But if before the end of the period of two years beginning with the date on which the relevant instrument was executed—
- (a) a company (“company B”) holding shares in the acquiring company to which the intra-group share transfer related, or that are derived from shares to which that instrument related, ceases to be a member of the same group as the company referred to in section 76 as the target company (“company C”), and
 - (b) the acquiring company, at that time, holds an estate or interest in land—
 - (i) that was transferred to it by the relevant instrument, or
 - (ii) that is derived from an estate or interest so transferred,and that was not subsequently transferred to it by a duly stamped instrument on which *ad valorem* duty was paid and in relation to which section 76 relief was not claimed,

the following provisions apply.
- (4) In those circumstances—
- (a) section 76 relief in relation to the relevant instrument (or an appropriate proportion of that relief) is withdrawn, and
 - (b) the additional stamp duty that would have been paid on stamping the relevant instrument but for that relief if the land in question had been transferred by that instrument at market value, or an appropriate proportion of that amount, is payable by the acquiring company within 30 days after company B ceases to be a member of the same group as company C.
- (5) In this paragraph—
- (a) “company” includes any body corporate; and

Status: This is the original version (as it was originally enacted).

- (b) references to a company being in the same group as another company are to the companies being associated bodies corporate within the meaning of the relevant group relief provision.