



# Finance Act 2002

## 2002 CHAPTER 23

### PART 4

#### STAMP DUTY AND STAMP DUTY RESERVE TAX

##### *Stamp duty*

#### **115 Contracts for the sale of an estate or interest in land chargeable as conveyances**

- (1) This section applies to a contract or agreement for the sale of an estate or interest in land in the United Kingdom where—
- (a) the amount or value of the consideration exceeds £10 million, or
  - (b) the instrument forms part of a larger transaction or series of transactions in respect of which the amount or value, or aggregate amount or value, of the consideration exceeds £10 million.

- (2) If, in the case of such a contract or agreement that is not otherwise chargeable to stamp duty, a conveyance or transfer made in conformity with the contract or agreement is not presented to the Commissioners for stamping with the *ad valorem* duty chargeable on it—

- (a) within the period of 90 days after the execution of the contract or agreement, or
- (b) within such longer period as the Commissioners may think reasonable in the circumstances of the case,

the contract or agreement shall be chargeable with the same *ad valorem* duty, to be paid by the purchaser, as if it were an actual conveyance on sale of the estate or interest contracted or agreed to be sold.

- (3) The Commissioners—
- (a) may refuse to allow a longer period unless they are provided with a copy of the contract or agreement and such other evidence as they may reasonably require as to the facts and circumstances relevant to their decision,
  - (b) may allow a longer period subject to compliance with such conditions as they think fit, and

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*Changes to legislation: There are currently no known outstanding effects  
for the Finance Act 2002, Section 115. (See end of Document for details)*

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- (c) shall not allow any longer period if it appears to them that the whole, or substantially the whole, of the intended consideration has been paid or transferred.
- (4) Where an instrument to which this section applies is presented for stamping before the end of the period mentioned in subsection (2)—
  - (a) any adjudication to the effect that stamp duty is not chargeable does not affect the operation of this section, and
  - (b) the fact that duty may be chargeable under this section may be denoted on the instrument in such manner as the Commissioners think fit.
- (5) Where an instrument is chargeable with duty under this section—
  - (a) section 14(4) of the Stamp Act 1891 (c. 39) (inadmissibility of unstamped instruments) does not apply in relation to it until after the end of the period mentioned in subsection (2) above, and
  - (b) sections 15A and 15B of that Act (late stamping: interest and penalties), apply in relation to it as if it had been executed at the end of that period.
- (6) The *ad valorem* duty paid upon a contract or agreement under this section shall be repaid by the Commissioners if the contract or agreement is afterwards rescinded or annulled or is for any other reason not substantially performed or carried into effect.
- (7) Schedule 36 contains provisions supplementing this section.
- (8) This section and that Schedule apply to contracts or agreements executed after the day on which this Act is passed.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 2002, Section 115.