



Finance Act 2003

2003 CHAPTER 14

PART 4

STAMP DUTY LAND TAX

Liability for and payment of tax

87 Interest on unpaid tax

- (1) Interest is payable on the amount of any unpaid tax from the end of the period of 30 days after the relevant date until the tax is paid.
- (2) The Inland Revenue may by regulations amend subsection (1) so as to make interest run from the end of such shorter period after the relevant date as may be prescribed or, if the regulations so provide, from that date.
- (3) For the purposes of this section “the relevant date” is—
 - (a) in the case of an amount payable because relief is withdrawn under—
 - (i) Part 1 of Schedule 7 (group relief),
 - (ii) Part 2 of that Schedule (reconstruction or acquisition relief), or
 - (iii) Schedule 8 (charities relief),the date of the disqualifying event;
 - (b) in the case of a deferred payment under section 90, the date when the deferred payment is due;
 - (c) in any other case, the effective date of the transaction.
- (4) In subsection (3)(a) “the disqualifying event” means—
 - (a) in relation to the withdrawal of group relief, the purchaser ceasing to be a member of the same group as the vendor (within the meaning of Part 1 of Schedule 7);
 - (b) in relation to the withdrawal of reconstruction or acquisition relief, the change of control of the acquiring company mentioned in paragraph 9(1)(a) of that

Status: This is the original version (as it was originally enacted).

- Schedule or, as the case may be, the event mentioned in paragraph 11(1)(a) or (2)(a) of that Schedule;
- (c) in relation to the withdrawal of charities relief, a disqualifying event as defined in paragraph 2(3) of Schedule 8.
- (5) Subsection (3)(c) applies in a case within section 51 (contingent, uncertain or unascertained consideration) if payment is not deferred under section 90, with the result that interest on any tax payable under section 80 (adjustment where contingency ceases or consideration is ascertained) runs from the effective date of the transaction.
- (6) If an amount is lodged with the Inland Revenue in respect of the tax, the amount on which interest is payable is reduced by that amount.
- (7) Interest is calculated at the rate applicable under section 178 of the Finance Act 1989 (c. 26) (power of Treasury to prescribe rates of interest).