



Finance Act 2020

2020 CHAPTER 14

PART 3

OTHER TAXES

Stamp duty and stamp duty reserve tax

77 Stamp duty: transfers of unlisted securities and connected persons

After section 47 of FA 2019 insert—

“47A Stamp duty: transfers of unlisted securities and connected persons

- (1) This section applies if—
 - (a) an instrument transfers unlisted securities to a company or a company’s nominee for consideration,
 - (b) the person transferring the securities is connected with the company or is the nominee of a person connected with the company, and
 - (c) some or all of the consideration consists of the issue of shares.
- (2) In this section “unlisted securities” means stock or marketable securities that are not listed securities within the meaning of section 47 (stamp duty: transfers of listed securities and connected persons).
- (3) For the purposes of the enactments relating to stamp duty the amount or value of the consideration is to be treated as being equal to—
 - (a) the amount or value of the consideration for the transfer, or
 - (b) if higher, the value of the unlisted securities.
- (4) For the purposes of subsection (3) “the enactments relating to stamp duty” means the Stamp Act 1891 and any enactment amending that Act or that is to be construed as one with that Act.
- (5) For the purposes of this section—

Status: This is the original version (as it was originally enacted).

- (a) the value of unlisted securities is to be taken to be the market value of the securities at the date the instrument is executed;
 - (b) “market value” has the same meaning as in TCGA 1992 and is to be determined in accordance with sections 272 and 273 of that Act (valuation).
- (6) Section 1122 of CTA 2010 (connected persons) has effect for the purposes of this section.
- (7) This section is to be construed as one with the Stamp Act 1891.
- (8) This section has effect in relation to instruments executed on or after the date on which FA 2020 is passed.”