
STATUTORY INSTRUMENTS

1999 No. 3261

The Stamp Duty and Stamp Duty Reserve Tax (Open-ended Investment Companies) (Amendment No. 2) Regulations 1999

Amendments to the principal Regulations

5. For regulation 4 there shall be substituted the following regulations—

“General modifications of the relevant enactments relating to stamp duty or stamp duty reserve tax

4.—(1) Subject to the modifications specified in regulations 4A and 4B, the relevant enactments relating to stamp duty or stamp duty reserve tax shall be modified as follows in relation to open-ended investment companies.

(2) References, however expressed, to—

- (a) a unit trust scheme, or
- (b) the trustees of a unit trust scheme,

shall have effect as if they were references to an open-ended investment company.

(3) References, however expressed, to the managers of a unit trust scheme shall have effect as if they were references to the authorised corporate director of an open-ended investment company.

(4) References, however expressed, to—

- (a) a unit under a unit trust scheme, or
- (b) an entitlement to a share of the trust property,

shall have effect as if they were references to a share in an open-ended investment company.

(5) References, however expressed, to—

- (a) a unit holder, or
- (b) a person entitled to a unit,

shall have effect as if they were references to the owner of a share in an open-ended investment company.

(6) References, however expressed, to trust property shall have effect as if they were references to scheme property.

(7) References, however expressed, to a trust instrument shall have effect as if they were references to an instrument incorporating an open-ended investment company.

Modifications of Schedule 19 to the Finance Act 1999

4A.—(1) Schedule 19 to the Finance Act 1999 shall be modified as follows in relation to open-ended investment companies.

(2) In paragraph 4—

- (a) in sub-paragraph (1)—

- (i) for the words “units of the same class as the unit in question” there shall be substituted the word “shares”, and
 - (ii) for the words “units of that class” there shall be substituted the word “shares”;
 - (b) in sub-paragraph (3) for the words “units of the class” in both places where they occur there shall be substituted the word “shares”;
 - (c) in sub-paragraph (4) for the words “units of the class in question” there shall be substituted the word “shares”;
 - (d) after sub-paragraph (5) there shall be added the following sub-paragraph—
 - “(6) Where there is more than one class of shares in an open-ended investment company, the proportionate reduction of tax under this paragraph shall be calculated as if all the shares in the company had been converted into shares of a single class.”
- (3) In paragraph 14—
- (a) for sub-paragraph (2) there shall be substituted the following sub-paragraph—
 - “(2) “Open-ended investment company” has, subject to paragraph 17, the meaning given by subsection (10) of section 468 of the Income and Corporation Taxes Act 1988, read with subsections (11) to (18) of that section, as those subsections are added in relation to open-ended investment companies by regulation 10(4) of the Open-ended Investment Companies (Tax) Regulations 1997; and accordingly references in subsection (11) to (16) of that section to the “Tax Acts” shall be construed as if they included references both to the enactments relating to stamp duty and to the enactments relating to stamp duty reserve tax; and those enactments shall have effect accordingly.”
 - (b) in sub-paragraph (3) the definitions of “trust instrument”, “trust property”, “unit” and “unit holder” shall be omitted.
- (4) In paragraph 17 sub-paragraph (4) shall be omitted.

Modifications of the Finance Act 1986

4B.—(1) Section 99 of the Finance Act 1986 (general interpretation provisions) shall be modified as follows in relation to open-ended investment companies.

- (2) In subsections (5A) paragraph (a) and the word “or” following it shall be omitted.”