STATUTORY INSTRUMENTS

2003 No. 2868

TAXES

The Stamp Duty and Stamp Duty Land Tax (Consequential Amendment of Enactments) Regulations 2003

Made - - - -	*10th November 2003*
Laid before the House of Commons	*10th November 2003*
Coming into force - -	*1st December 2003*

The Treasury, in exercise of the powers conferred upon them by section 123(2) of, and paragraph 7 of Schedule 20 to, the Finance Act 2003(**a**), make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Stamp Duty and Stamp Duty Land Tax (Consequential Amendment of Enactments) Regulations 2003 and shall come into force on 1st December 2003.

Amendments to the Companies Act 1985

2.—(1) Section 88 of the Companies Act 1985 (return as to allotments, etc.)(**b**) is amended as follows.

(2) In subsection (3) omit the words from "stamped" to the end.

(3) Omit subsection (4).

(4) This regulation has effect in relation to contracts such as are mentioned in section 88(2)(b)(i) of the Companies Act 1985 that are entered into on or after 1st December 2003.

Amendments to the Finance Act 1986

3. The Finance Act 1986(**c**) is amended in accordance with regulations 4 and 5.

4. For section 92(1B)(**d**) (repayment or cancellation of tax) substitute—

"(1B) The second condition is that the instrument (or each instrument) transferring the chargeable securities to which the agreement relates—

(a) so far as those securities are stock or marketable securities within the meaning of section 125 of the Finance Act 2003 (abolition of stamp duty except on instruments relating to stock or marketable securities)—

(i) is duly stamped in accordance with the enactments relating to stamp duty, or

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(**a**) 2003 c. 14.
(**b**) 1985 c. 6.
(**c**) 1986 c. 41.
(**d**) Section 92(1B) was inserted by section 192(4) of the Finance Act 1996 (c. 8).

(ii) is not chargeable with stamp duty or otherwise required to be stamped under those enactments; or

(b) so far as those securities are not stock or marketable securities within the meaning of that section, is an instrument that, disregarding that section, would not be chargeable with any *ad valorem* stamp duty under those enactments.".

5.—(1) Section 99 (interpretation: meaning of "chargeable securities")(**a**) is amended as follows.

(2) For subsection (5) substitute—

"(5) "Chargeable securities" does not include securities falling within paragraph (a), (b) or (c) of subsection (3) above if—

(a) in the case of stock or marketable securities within the meaning of section 125 of the Finance Act 2003 (abolition of stamp duty except on instruments relating to stock or marketable securities), they are securities the transfer of which is exempt from all stamp duties;

(b) in any other case, they are securities the transfer of which, disregarding that section, would be exempt from all stamp duties.

(5ZA) "Chargeable securities" does not include securities falling within paragraph (b) or (c) of subsection (3) above if the stocks, shares or loan capital to which the securities relate—

(a) are stock or marketable securities within the meaning of section 125 of the Finance Act 2003 (abolition of stamp duty except on instruments relating to stock or marketable securities) the transfer of which is exempt from all stamp duties, or

(b) are securities the transfer of which, disregarding that section, would be exempt from all stamp duties.".

(3) In subsection (5B)(a) omit the word "and" immediately following sub-paragraph (i) and after that sub-paragraph insert—

"(ia) it is not an investment on the acquisition of which stamp duty land tax would be chargeable under Part 4 of the Finance Act 2003, and".

John Heppell
Joan Ryan
10th November 2003 Two of the Lords Commissioners of Her Majesty's Treasury

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(**a**) Section 99 has been relevantly amended by section 144(2) of the Finance Act 1988 (c. 39) and paragraph 12 of Schedule 19 to the Finance Act 1999 (c. 16).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make amendments to legislation consequent upon the provisions of Part 4 of the Finance Act 2003 (c. 14) and the abolition of stamp duty except on instruments relating to stock or marketable securities (see section 125 of that Act).

Regulation 1 provides for citation and commencement.

Regulation 2 makes amendments to section 88 of the Companies Act 1985 (c. 6). The purpose of the amendments is to remove the requirement to stamp the prescribed particulars of a contract which a company is required under subsection (3) of that section to deliver to the registrar of companies.

Regulation 3 amends provisions of the 1986 Act relating to stamp duty reserve tax. The purpose of the amendments is to ensure that the repayment and cancellation of stamp duty reserve tax, and the scope of the charge to that tax, are not affected by the abolition of stamp duty (except on instruments relating to stock or marketable securities).

Regulation 4 amends section 92(1B) of the 1986 Act (repayment or cancellation of tax).

Regulation 5 amends section 99 of the 1986 Act (interpretation: meaning of “chargeable securities”).

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