

SCHEDULE 17

RECONSTRUCTION AND ACQUISITION RELIEFS

PART 4

WITHDRAWAL OF RECONSTRUCTION OR ACQUISITION RELIEF

Cases in which reconstruction or acquisition relief not withdrawn

- 6 (1) Reconstruction or acquisition relief is not withdrawn under paragraph 5 in the following cases.
- (2) The first case is where control of the acquiring company changes as a result of a share transaction that is effected as mentioned in—
- (a) any of paragraphs (a) to (d) of paragraph 3 of Schedule 3 (transactions in connection with divorce etc.), or
 - (b) any of paragraphs (a) to (d) of paragraph 4 of that Schedule (transactions in connection with dissolution of civil partnership etc.).
- (3) The second case is where control of the acquiring company changes as a result of a share transaction that—
- (a) is effected as mentioned in sub-paragraph (1) of paragraph 6 of Schedule 3 (variation of testamentary dispositions etc.), and
 - (b) meets the conditions in sub-paragraph (2) of that paragraph.
- (4) The third case is where control of the acquiring company changes as a result of an exempt intra-group transfer.
- (5) An “exempt intra-group transfer” means a transfer of shares effected by an instrument that is exempt from stamp duty by virtue of section 42 of the [Finance Act 1930 \(c. 28\)](#) or section 11 of the [Finance Act \(Northern Ireland\) 1954 \(c. 23 \(N.I.\)\)](#) (transfers between associated bodies corporate).
- (6) But see paragraph 7 (withdrawal of relief in case of subsequent non-exempt transfer).
- (7) The fourth case is where control of the acquiring company changes as a result of a transfer of shares to another company in relation to which share acquisition relief applies.
- (8) “Share acquisition relief” means relief under section 77 of the [Finance Act 1986 \(c. 41\)](#) and a transfer is one in relation to which that relief applies if an instrument effecting the transfer is exempt from stamp duty by virtue of that provision.
- (9) But see paragraph 7 (withdrawal of relief in case of subsequent non-exempt transfer).
- (10) The fifth case is where—
- (a) control of the acquiring company changes as a result of a loan creditor becoming, or ceasing to be, treated as having control of the company, and
 - (b) the other persons who were previously treated as controlling the company continue to be so treated.
- (11) “Loan creditor” here has the meaning given by section 453 of the [Corporation Tax Act 2010 \(c. 4\)](#).