

**Changes to legislation:** There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, Cross Heading: Arrangements that do not restrict availability of relief. (See end of Document for details)

## SCHEDULE 10 GROUP RELIEF

### PART 2

#### THE RELIEF

##### *Arrangements that do not restrict availability of relief*

- 9 This paragraph applies to arrangements entered into with a view to an acquisition of shares by a company (“the acquiring company”)—
- (a) in relation to which section 75 of the Finance Act 1986 (c.41) (stamp duty: acquisition relief) will apply,
  - (b) in relation to which the conditions for relief under that section will be met, and
  - (c) as a result of which the buyer will be a member of the same group as the acquiring company.

#### Commencement Information

**II** Sch. 10 para. 9 in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

- 10 This paragraph applies to arrangements in so far as they are for the purpose of facilitating a transfer of the whole or part of the business of a company to another company in relation to which—
- (a) section 96 of the Finance Act 1997 (c.16) (stamp duty relief: demutualisation of insurance companies) is intended to apply, and
  - (b) the conditions for relief under that section are intended to be met.

#### Commencement Information

**I2** Sch. 10 para. 10 in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

[<sup>F1</sup>10A(1) This paragraph applies to arrangements if and for so long as—

- (a) they are—
  - (i) a mortgage under the law of England and Wales or Northern Ireland secured by way of shares or securities in a company which, on default or the happening of any other event, allows the mortgagee to exercise its rights against the mortgagor;
  - (ii) an arrangement under the law of Scotland by which shares or securities in a company are transferred to a person (the “transferee”) subject to an obligation on the transferee to retransfer the shares or securities back to the transferor if certain conditions are met by the transferor but under which, on default by the transferor in meeting the conditions or the happening of any other event, the transferee is relieved of the obligation to retransfer the shares or securities back to the transferor, and
- (b) the relevant circumstance described in sub-paragraph (2) applies.

(2) The relevant circumstance is that—

---

*Changes to legislation: There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, Cross Heading: Arrangements that do not restrict availability of relief. (See end of Document for details)*

---

- (a) in the case of arrangements described in sub-paragraph (1)(a)(i), the mortgagee has not exercised its rights against the mortgagor; or
  - (b) in the case of arrangements described in sub-paragraph (1)(a)(ii), the transferee has not exercised its right in terms of the arrangement to retain the shares or securities and refuse to transfer them back to the transferor on the conditions mentioned in that sub-paragraph not having been met.
- (3) This paragraph does not apply to arrangements if the mortgagee or, as the case may be, transferee—
- (a) possesses greater rights in respect of the shares or securities which are the subject of the arrangements than it requires to protect its interest as mortgagee or transferee; or
  - (b) could alone or together with connected persons dictate the terms or timing of the default or the happening of any event which allows it to exercise its rights against the mortgagor or to relieve it of the obligation to retransfer the shares or securities.
- (4) For the purposes of sub-paragraph (3)(b) a mortgagee is not, by reason only of the mortgage, connected with a company whose shares or securities are the subject of the mortgage.
- (5) In this paragraph—
- “connected” has the same meaning as in section 1122 of the Corporation Tax Act 2010;
  - “mortgage” means any legal or equitable charge under the law of England and Wales or Northern Ireland.
- (6) This paragraph applies to an arrangement under the law of a country or territory outside the United Kingdom that is analogous to either of the arrangements described in sub-paragraph (1) as it applies to the arrangement to which it is analogous and, in relation to such an arrangement, references to the mortgagor, mortgagee, transferor and transferee are to be read accordingly.]

---

**Textual Amendments**

- F1** Sch. 10 para. 10A inserted (30.6.2018) by [The Land and Buildings Transaction Tax \(Group Relief Modification\) \(Scotland\) Order 2018 \(S.S.I. 2018/222\)](#), arts. 1(1), **2(3)** (with art. 3)

**Changes to legislation:**

There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, Cross Heading: Arrangements that do not restrict availability of relief.