



# Finance Act 1995

## 1995 CHAPTER 4

### PART V

#### STAMP DUTY

#### 149 Transfer: associated bodies.

- (1) Section 42 of the <sup>M1</sup>Finance Act 1930 (relief from transfer stamp duty in case of transfer of property as between associated bodies corporate) shall be amended as mentioned in subsections (2) to (5) below.
- (2) In subsection (2) (as substituted by section 27(2) of the <sup>M2</sup>Finance Act 1967) for the words from “that the effect” to the end of the subsection there shall be substituted “that—
  - (a) the effect of the instrument is to convey or transfer a beneficial interest in property from one body corporate to another, and
  - (b) the bodies in question are associated at the time the instrument is executed.”
- (3) The following subsections shall be inserted after subsection (2) (as so substituted)—
  - “(2A) For the purposes of this section bodies corporate are associated at a particular time if at that time one is the parent of the other or another body corporate is the parent of each.
  - (2B) For the purposes of this section one body corporate is the parent of another at a particular time if at that time the first body is beneficial owner of not less than 75 per cent. of the ordinary share capital of the second body.”
- (4) In subsection (3) (as so substituted) for “(2)” there shall be substituted “ (2B) ”, and the words from “with the substitution” to the end shall be omitted.
- (5) The following subsection shall be inserted after subsection (3) (as so substituted)—
  - “(4) In this section “ordinary share capital”, in relation to a body corporate, means all the issued share capital (by whatever name called) of the body corporate,

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1995, Section 149. (See end of Document for details)*

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other than capital the holders of which have a right to a dividend at a fixed rate but have no other right to share in the profits of the body corporate.”

- (6) In section 27 of the <sup>M3</sup>Finance Act 1967 (which relates to section 42 of the <sup>M4</sup>Finance Act 1930) in subsection (3)(c) for the words from “a change” to “third body corporate” there shall be substituted “ the transferor or a third body corporate ceasing to be the transferee’s parent (within the meaning of the said section 42) ”.
- (7) This section shall apply in relation to instruments executed on or after the day on which this Act is passed.

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**Marginal Citations**

**M1** 1930 c. 28.

**M2** 1967 c. 54.

**M3** 1967 c. 54.

**M4** 1930 c. 28.

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1995, Section 149.