

SCHEDULES

SCHEDULE 36

STAMP DUTY: CONTRACTS CHARGEABLE AS CONVEYANCES: SUPPLEMENTARY PROVISIONS

PART 2

SUBSEQUENT CONVEYANCE OR TRANSFER

Conveyance or transfer of property contracted to be sold

- 5 (1) Where the original seller conveys the whole of the property contracted to be sold—
- (a) to the purchaser, or
 - (b) to a sub-purchaser in circumstances in which section 58(4) of the Stamp Act 1891 (c. 39) applies (conveyance chargeable only on consideration moving from sub-purchaser),

the conveyance or transfer is chargeable with duty only to the extent (if any) that the *ad valorem* duty chargeable on it (apart from this sub-paragraph) exceeds the duty paid under section 115 on the original sale together with the amount of any such duty paid on an intervening subsale.

- (2) Where—
- (a) the original seller conveys the property contracted to be sold to different sub-purchasers in parts or parcels, and
 - (b) section 58(5) of the Stamp Act 1891 (c. 39) applies (conveyance chargeable only on consideration moving from sub-purchaser),

the conveyance or transfer of each part or parcel is chargeable with duty only to the extent (if any) that the *ad valorem* duty chargeable on it (apart from this sub-paragraph) exceeds an appropriate proportion of the *ad valorem* duty paid on the original sale together with an appropriate proportion of any such duty paid on an intervening subsale.

- (3) What is an appropriate proportion shall be determined on a just and reasonable basis having regard to the subject matter of the conveyance or transfer and of the earlier transaction.
- (4) Where sub-paragraph (1) or (2) applies to reduce or extinguish the duty payable on a conveyance or transfer, the Commissioners shall, upon application and upon production of the earlier instrument or instruments, duly stamped, either—
- (a) denote the payment of the whole of the *ad valorem* duty upon the conveyance or transfer, or
 - (b) transfer to the conveyance or transfer the *ad valorem* duty paid on the earlier instrument or instruments.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2002, Paragraph 5.