Changes to legislation: *Finance Act 2003, Paragraph 2A is up to date with all changes known to be in force on or before 08 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

SCHEDULES

SCHEDULE 7

STAMP DUTY LAND TAX: GROUP RELIEF AND RECONSTRUCTION AND ACQUISITION RELIEFS

PART 1

GROUP RELIEF

[F1 Certain arrangements not within paragraph 2

Textual Amendments

F1 Sch. 7 paras. 2A, 2B inserted (1.3.2013) by The Enactment of Extra-Statutory Concessions Order 2013 (S.I. 2013/234), arts. 1, **7** (with art. 9)

2A (1) Arrangements entered into by a joint venture company which, apart from this section, would be arrangements to which paragraph 2 applies are not to be treated as such arrangements if and so long as—

(a) the arrangements fall within sub-paragraph (2), and

(b) none of the contingencies mentioned in sub-paragraph (3) to which the arrangements relate has occurred.

(2) Arrangements fall within this sub-paragraph if they are—

(a) an agreement which provides for the transfer of shares or securities in the joint venture company to one or more members of that company on, or as a result of, one or more contingencies mentioned in sub-paragraph (3) occurring, or

(b) a provision in a constitutional document of the joint venture company which provides for the suspension of a member's voting rights on, or as a result of, one or more of those contingencies occurring.

(3) The contingencies referred to in sub-paragraph (1)(b) and (2) are—

(a) the voluntary departure of a member,

(b) the commencement of the liquidation, administration, administrative receivership or receivership of, or the entering into of a voluntary arrangement by, a member under the Insolvency Act 1986 or the Insolvency (Northern Ireland) Order 1989 or the commencement, or entering into, of equivalent proceedings or arrangements under the law of any country or territory outside the United Kingdom,

(c) a serious deterioration in the financial condition of a member,

(d) a change of control of a member,

(e) a default by a member in performing its obligations under any agreement between the members or with the joint venture company (which, for

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this purpose, includes any constitutional document of the joint venture company),

(f) an external change in the commercial circumstances in which the joint venture company operates such that its viability is threatened,

(g) an unresolved disagreement between the members, and

(h) any contingency of a similar kind to that mentioned in any of paragraphs (a) to (g) which is provided for, but not intended to happen, when the options arrangements in question were entered into.

(4) This paragraph does not apply if a member could alone or together with connected persons dictate the terms or timing of—

(a) the transfer of shares or securities, or

(b) the suspension of a member's voting rights,

in advance of one or more of the contingencies occurring.

(5) For the purposes of sub-paragraph (4) members are not connected with each other by reason only of their membership of the joint venture company.

(6) In this paragraph—

"connected" has the same meaning as in section 1122 of the Corporation Tax Act 2010;

"constitutional document" means a memorandum of association, articles of association or any other similar document regulating the affairs of the joint venture company;

"joint venture company" means a company which—

(a) has two or more member companies, and

(b) carries on a commercial activity governed by an agreement regulating the affairs of its members;

"member" means a holder of shares or securities in the joint venture company.**]**

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Changes and effects yet to be applied to :

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by S.I. 2019/110 reg. 5

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 57(3) inserted by 2011 c. 11 Sch. 22 para. 4
- s. 87(3)(a)(ia) inserted by S.I. 2003/2760 Sch. para. 3(4)(a) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 12 para. 3(2)(aa) inserted by 2007 asp 3 Sch. 5 para. 32 (This effect was superseded by the repeal of Sch. 12 para. 3 by Finance Act 2008 (c. 9), s. 129(4), Sch. 43 para. 16)
- Sch. 12 para. 1A inserted by 2007 c. 15 Sch. 13 para. 147(2) (The amending provision was repealed before coming into force.)
- Sch. 12 para. 1A omitted by 2008 c. 9 Sch. 43 para. 9 (The amending provision was repealed before coming into force.)