
Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2005, Cross Heading: Acquisition relief: avoidance arrangements. (See end of Document for details)

SCHEDULES

SCHEDULE 10

STAMP DUTY LAND TAX: MISCELLANEOUS AMENDMENTS

PART 2

AMENDMENTS COMING INTO FORCE IN ACCORDANCE WITH PARAGRAPH 22

Acquisition relief: avoidance arrangements

- 20 In paragraph 8 of Schedule 7 (acquisition relief)—
- (a) for sub-paragraph (5) substitute—
- “(5) For this purpose companies are associated if one has control of the other or both are controlled by the same person or persons.
- The reference to control shall be construed in accordance with section 416 of the Taxes Act 1988.”, and
- (b) after sub-paragraph (5A) (inserted by paragraph 8 of this Schedule) insert—
- “(5B) The fourth condition is that the acquisition is effected for bona fide commercial reasons and does not form part of arrangements of which the main purpose, or one of the main purposes, is the avoidance of liability to tax.
- “Tax” here means stamp duty, income tax, corporation tax, capital gains tax or tax under this Part.
- (5C) In this paragraph “arrangements” include any scheme, agreement or understanding, whether or not legally enforceable.”

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