

SCHEDULES

SCHEDULE 31

STAMP DUTY LAND TAX: SPECIAL PROVISIONS FOR PROPERTY-INVESTMENT PARTNERSHIPS

PART 1

TRANSFER OF INTEREST IN PARTNERSHIP: “RELEVANT PARTNERSHIP PROPERTY”

Paragraph 14 of Schedule 15 to FA 2003

1 (1) Paragraph 14 of Schedule 15 to FA 2003 (transfer of interest in property-investment partnership) is amended as follows.

(2) After sub-paragraph (3) insert—

“(3A) A transfer to which this paragraph applies is a Type A transfer if it takes the form of arrangements entered into under which—

- (a) the whole or part of a partner’s interest as partner is acquired by another person (who may be an existing partner), and
- (b) consideration in money or money’s worth is given by or on behalf of the person acquiring the interest.

(3B) A transfer to which this paragraph applies is also a Type A transfer if it takes the form of arrangements entered into under which—

- (a) a person becomes a partner,
- (b) the interest of an existing partner in the partnership is reduced or an existing partner ceases to be a partner, and
- (c) there is a withdrawal of money or money’s worth from the partnership by the existing partner mentioned in paragraph (b) (other than money or money’s worth paid from the resources available to the partnership prior to the transfer).

(3C) Any other transfer to which this paragraph applies is a Type B transfer.”

(3) In sub-paragraph (5)—

- (a) for “a transfer” substitute “a Type A transfer”,
- (b) in paragraph (a), after “any” insert “chargeable”, and
- (c) at the end insert “, and
 - (c) any chargeable interest that is not attributable economically to the interest in the partnership that is transferred.”

(4) After that sub-paragraph insert—

“(5A) The “relevant partnership property”, in relation to a Type B transfer of an interest in a partnership, is every chargeable interest held as partnership property immediately after the transfer, other than—

Status: This is the original version (as it was originally enacted).

- (a) any chargeable interest that was transferred to the partnership in connection with the transfer,
- (b) a lease to which paragraph 15 (exclusion of market rent leases) applies,
- (c) any chargeable interest that is not attributable economically to the interest in the partnership that is transferred,
- (d) any chargeable interest that was transferred to the partnership on or before 22 July 2004,
- (e) any chargeable interest in respect of whose transfer to the partnership an election has been made under paragraph 12A, and
- (f) any other chargeable interest whose transfer to the partnership did not fall within paragraph 10(1)(a), (b) or (c).”

Consequential provision

- 2 In paragraph 15(1) of that Schedule (exclusion of market rent leases), after “14(5)” insert “or (5A)”.
- 3 In paragraph 16(2) of that Schedule (application of provisions about exchanges etc), after “14(5)” insert “or (5A) (as appropriate)”.
- 4 In paragraph 26(9) of that Schedule (application of disadvantaged areas relief), in the definition of “the relevant partnership property” in the sub-paragraph (1A) inserted by that sub-paragraph, after “14(5)” insert “or (5A) (as appropriate)”.