



Finance Act 2016

2016 CHAPTER 24

PART 9

OTHER TAXES AND DUTIES

Stamp duty and stamp duty reserve tax

139 SDRT: transfers to depositaries or providers of clearance services

- (1) Part 4 of FA 1986 (stamp duty reserve tax) is amended as follows.
- (2) In section 93 (depository receipts)—
- (a) in subsection (4)(b), for the words from “worth,” to the end substitute “worth—
 - (i) the amount or value of the consideration, or
 - (ii) where subsection (4A) applies, the amount or value of the consideration or, if higher, the value of the securities;”, and
 - (b) after subsection (4) insert—

“(4A) This subsection applies where the transfer of the securities is pursuant to—

 - (a) the exercise of an option to buy or to sell the securities, and
 - (b) either—
 - (i) a term of the option which provides for the securities to be transferred to the person falling within subsection (2) or (3), or
 - (ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”

Changes to legislation: Finance Act 2016, Section 139 is up to date with all changes known to be in force on or before 01 May 2023. 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](#)

- (3) In section 94 (depository receipts: supplementary), in subsection (4), for “section 93(4)(c)” substitute “ section 93(4)(b)(ii) and (c) ”.
- (4) In section 96 (clearance services)—
 - (a) in subsection (2)(b), for the words from “worth,” to the end substitute “worth —
 - (i) the amount or value of the consideration, or
 - (ii) where subsection (2A) applies, the amount or value of the consideration or, if higher, the value of the securities;”,
 - (b) after subsection (2) insert—

“(2A) This subsection applies where the transfer of the securities is pursuant to—

 - (a) the exercise of an option to buy or to sell the securities, and
 - (b) either—
 - (i) a term of the option which provides for the securities to be transferred to A or (as the case may be) to the person whose business is or includes holding chargeable securities as nominee for A, or
 - (ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”, and
 - (c) in subsection (10), for “subsection (2)(c)” substitute “ subsection (2)(b)(ii) and (c) ”.
- (5) The amendments made by this section have effect in relation to a transfer pursuant to the exercise of an option where—
 - (a) the option was granted on or after 25 November 2015, and
 - (b) the option was exercised on or after 23 March 2016.

Changes to legislation:

Finance Act 2016, Section 139 is up to date with all changes known to be in force on or before 01 May 2023. 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.

[View outstanding changes](#)

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):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)