



Finance Act 1981

1981 CHAPTER 35

PART VI

STAMP DUTY

108 Shared ownership transactions

- (1) Section 97 of the Finance Act 1980 (shared ownership transactions) shall have effect with the amendments specified in subsections (2) to (4) below.
- (2) In subsection (1) after the word "value" there shall be inserted the words " or sum ".
- (3) In subsection (2)—
 - (a) for paragraph (b) there shall be substituted—
 - “(b) is granted partly in consideration of a premium calculated by reference to—
 - (i) the market value of the dwelling, or
 - (ii) a sum calculated by reference to that value, and partly in consideration of rent”; and
 - (b) in paragraph (d) for the words " paragraph (b) above " there shall be substituted the words " paragraph (b) (i) above or, as the case may be, the sum referred to in paragraph (b) (ii) above " and at the end there shall be added the words " or as the case may be, to that sum ".
- (4) In subsection (3)(b) for the reference to Article 13 of the Housing (Northern Ireland) Order 1976 there shall be substituted a reference to Article 124 of the Housing (Northern Ireland) Order 1981.
- (5) Where a lease is granted by a body mentioned in subsection (3) of the said section 97 which—
 - (a) is of a dwelling for the exclusive use of the lessee or, if there are joint lessees, of those lessees ;
 - (b) provides that the lessee may on payment of a sum require the terms of the lease to be altered so that the rent payable under it is reduced ;

Status: This is the original version (as it was originally enacted).

- (c) is granted partly in consideration of rent and partly in consideration of a premium calculated by reference to—
 - (i) the premium obtainable on the open market for the grant of a lease containing the same terms as the lease but with the substitution for the rent payable under the lease of the minimum rent, or
 - (ii) a sum calculated by reference to that premium; and
- (d) contains a statement of the minimum rent and the premium referred to in paragraph (c)(i) above or, as the case may be, the sum referred to in paragraph (c) (ii) above and a statement to the effect that the parties intend duty to be charged in accordance with this section by reference to that rent and that premium or, as the case may be, that sum,

the lease shall be chargeable to stamp duty as if the premium paid by the lessee were equal to the premium or, as the case may be, the sum, stated in the lease in accordance with paragraph (d) above and the rent payable were as so stated.

- (6) In subsection (5) above " minimum rent" in relation to any lease means the lowest rent which could become payable under the lease if it were altered as mentioned in paragraph (b) of that subsection at the date when the lease is granted.
- (7) This section applies to instruments executed on or after 23rd March 1981 and shall be deemed to have come into force on that date.