



Finance Act 1997

1997 CHAPTER 16

PART VII

STAMP DUTY AND STAMP DUTY RESERVE TAX

Stamp duty

VALID FROM 19/03/1997

95 Mergers of authorised unit trusts.

- (1) Stamp duty shall not be chargeable on an instrument transferring any property which is subject to the trusts of an authorised unit trust (“the target trust”) to the trustees of another authorised unit trust (“the acquiring trust”) if the conditions set out in subsection (2) below are fulfilled.
- (2) Those conditions are that—
 - (a) the transfer forms part of an arrangement under which the whole of the available property of the target trust is transferred to the trustees of the acquiring trust;
 - (b) under the arrangement all the units in the target trust are extinguished;
 - (c) the consideration under the arrangement consists of or includes the issue of units (“the consideration units”) in the acquiring trust to the persons who held the extinguished units;
 - (d) the consideration units are issued to those persons in proportion to their holdings of the extinguished units; and
 - (e) the consideration under the arrangement does not include anything else, other than the assumption or discharge by the trustees of the acquiring trust of liabilities of the trustees of the target trust.
- (3) An instrument on which stamp duty is not chargeable by virtue only of this section shall not be taken to be duly stamped unless it is stamped with the duty to which

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Changes to legislation: There are currently no known outstanding effects for the Finance Act 1997, Section 95. (See end of Document for details)

it would be liable but for this section or it has, in accordance with section 12 of the ^{M1}Stamp Act 1891, been stamped with a particular stamp denoting that it is not chargeable with any duty.

(4) In this section—

“authorised unit trust” means a unit trust scheme in the case of which an order under section 78 of the ^{M2}Financial Services Act 1986 is in force;

“the whole of the available property of the target trust” means the whole of the property subject to the trusts of the target trust, other than any property which is retained for the purpose of discharging liabilities of the trustees of the target trust;

“unit” and “unit trust scheme” have the same meanings as in Part VII of the ^{M3}Finance Act 1946.

(5) Each of the parts of an umbrella scheme (and not the scheme as a whole) shall be regarded for the purposes of this section as an authorised unit trust; and in this section “umbrella scheme” has the same meaning as in section 468 of the Taxes Act 1988 and references to parts of an umbrella scheme shall be construed in accordance with that section.

(6) This section applies to any instrument which is executed—

- (a) on or after the day on which this Act is passed; but
- (b) before 1st July 1999.

Marginal Citations

M1 1891 c. 39.

M2 1986 c. 60.

M3 1946 c. 64.

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