

Changes to legislation: Finance Act 2003, SCHEDULE 19 is up to date with all changes known to be in force on or before 24 June 2024. 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

SCHEDULES

SCHEDULE 19

Section 124

STAMP DUTY LAND TAX: COMMENCEMENT AND TRANSITIONAL PROVISIONS

Introduction

- 1 (1) Subject to the provisions of this Schedule, the provisions of this Part come into force on the passing of this Act.
- (2) The following provisions have effect as regards what transactions are SDLT transactions, that is, are chargeable or notifiable or are transactions in relation to which section 79 (registration etc) applies.
- (3) Nothing in this Schedule shall be read as meaning that other transactions, whether effected before or after the passing of this Act, are to be disregarded in applying the provisions of this Part.

Commencement Information

I1 Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

The implementation date

- 2 (1) A transaction is not an SDLT transaction unless the effective date of the transaction is on or after the implementation date.
- (2) In this Part “the implementation date” means the date appointed by Treasury order as the implementation date for the purposes of stamp duty land tax.

Commencement Information

I2 Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

Contract entered into before first relevant date

- 3 (1) Subject to the following provisions of this paragraph, a transaction is not an SDLT transaction if it is effected in pursuance of a contract entered into before the first relevant date.
- (2) The “first relevant date” is the day after the passing of this Act.
- (3) The exclusion of transactions effected in pursuance of contracts entered into before the first relevant date does not apply—
 - (a) if there is any variation of the contract or assignment of rights under the contract on or after that date;

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- (b) if the transaction is effected in consequence of the exercise after that date of any option, right of pre-emption or similar right;
- ^[F1](c) if on or after that date there is an assignment, subsale or other transaction (relating to the whole or part of the subject-matter of the contract) as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance to him.]

Textual Amendments

F1 Sch. 19 para. 3(3)(c) substituted (with effect in accordance with Sch. 39 para. 13(3)-(6) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), **Sch. 39 para. 12**

Commencement Information

I3 Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

Contract substantially performed before implementation date

- 4 (1) This paragraph applies where a transaction—
- (a) is completed on or after the implementation date,
 - (b) is effected in pursuance of a contract entered into and substantially performed before that date, and
 - (c) is not excluded from being an SDLT transaction by paragraph 3.
- (2) The transaction is not an SDLT transaction if the contract was substantially performed before the first relevant date.
- (3) In any other case, the fact that the contract was substantially performed before the implementation date does not affect the matter.

Accordingly, the effective date of the transaction is the date of completion.

Commencement Information

I4 Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

^[F2]Contracts substantially performed after implementation date

Textual Amendments

F2 Sch. 19 paras. 4A, 4B and cross-heading inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), **Sch. 39 para. 24** (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked [Stamp Duty and Stamp Duty Land Tax \(Variation of the Finance Act 2003\) \(No. 2\) Regulations 2003 \(S.I. 2003/2816\)](#), see Sch. 39 para. 14)

- 4A Where—
- (a) a transaction is effected in pursuance of a contract entered into before the first relevant date,
 - (b) the contract is substantially performed, without having been completed, after the implementation date, and

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- (c) there is subsequently an event within paragraph 3(3) by virtue of which the transaction is an SDLT transaction,
the effective date of the transaction shall be taken to be the date of the event referred to in paragraph (c) (and not the date of substantial performance).

Application of provisions in case of transfer of rights

- 4B (1) This paragraph applies where section 44 (contract and conveyance) has effect in accordance with section 45 (effect of transfer of rights).
- (2) Any reference in paragraph 3, 4 or 4A to the date when a contract was entered into (or made) shall be read, in relation to a contract deemed to exist by virtue of section 45(3) (deemed secondary contract with transferee), as a reference to the date of the assignment, subsale or other transaction in question.]

Credit for ad valorem stamp duty paid

- 5 (1) Where a transaction chargeable to stamp duty land tax is effected in pursuance of a contract entered into before the implementation date, any *ad valorem* stamp duty paid on the contract shall go to reduce the amount of tax payable (but not so as to give rise to any repayment).
- (2) Where the application or operation of any exemption or relief from stamp duty land tax turns on whether tax was paid or payable in respect of an earlier transaction, that requirement is treated as met if *ad valorem* stamp duty was paid or (as the case may be) payable in respect of the instrument by which that transaction was effected.

Commencement Information

- I5** Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

Effect for stamp duty purposes of stamp duty land tax being paid or chargeable

- 6 ^{F3}(1)
- (2) The references in section 111(1)(c) of, and paragraph 4(3) of Schedule 34 to, the Finance Act 2002 (c. 23) (which relate to the circumstances in which stamp duty group relief is withdrawn) to a transfer at market value by a duly stamped instrument on which *ad valorem* duty was paid and in respect of which group relief was not claimed shall be read, on or after the implementation date, as including a reference to a transfer at market value by a chargeable transaction in respect of which relief under Part 1 of Schedule 7 to this Act was available but was not claimed.

- ^{F4}(3)

Textual Amendments

- F3** Sch. 19 para. 6(1) repealed (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 4\(2\)](#) (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked [Stamp Duty and Stamp Duty Land Tax \(Variation of the Finance Act 2003\) \(No. 2\) Regulations 2003 \(S.I. 2003/2816\)](#), see Sch. 39 para. 14)

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F4 Sch. 19 para. 6(3) omitted (with effect in accordance with Sch. 39 para. 10(1) of the amending Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 5(2)(e)(ii)** (with Sch. 39 paras. 11-13)

Commencement Information

I6 Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

Earlier related transactions under stamp duty

- 7 (1) In relation to a transaction that is not an SDLT transaction but which is linked to an SDLT transaction and accordingly falls to be taken into account in determining the [^{F5}amount] of stamp duty land tax chargeable on the latter transaction, any reference in this Part to the chargeable consideration for the first-mentioned transaction shall be read as a reference to the consideration by reference to which *ad valorem* stamp duty was payable in respect of the instrument by which that transaction was effected.
- [^{F6}(2) In paragraph 3 of Schedule 9 (relief for transfer of reversion under shared ownership lease where election made for market value treatment) and paragraph 4A of that Schedule (shared ownership lease: treatment of staircasing transaction) as they apply in a case where the original lease was granted before the implementation date—
- (a) a reference to a lease to which paragraph 2 of that Schedule applies shall be read as a reference to a lease to which section 97 of the Finance Act 1980 applied (which made provision for stamp duty corresponding to that paragraph), and
 - (b) a reference to an election having been made for tax to be charged in accordance with paragraph 2 or 4 of that Schedule shall be read as a reference to the lease having contained a statement of the parties' intention such as is mentioned in section 97(2)(d) of the Finance Act 1980 or, as the case may be, paragraph (d) of section 108(5) of the Finance Act 1981 (which made provision for stamp duty corresponding to paragraph 4).]
- (3) In section 54 (exceptions from deemed market value rule for transactions with connected company) the reference in subsection (4)(b) to group relief having been claimed in respect of a transaction shall be read in relation to a transaction carried out before the implementation date as a reference to relief having been claimed under section 42 of the Finance Act 1930 (c. 28), section 11 of the Finance Act (Northern Ireland) 1954 (c. 23 (N. I.)) or section 151 of the Finance Act 1995 (c. 4) in respect of stamp duty on the instrument by which the transaction was effected.
- [^{F7}(4) For the purposes of paragraph 5 of Schedule 17A (treatment of successive linked leases) no account shall be taken of any transaction that is not an SDLT transaction.]

Textual Amendments

- F5** Word in Sch. 19 para. 7(1) substituted (with effect in accordance with s. 2(2) of the amending Act) by Stamp Duty Land Tax Act 2015 (c. 1), **Sch. para. 19** (with s. 2(3)-(6))
- F6** Sch. 19 para. 7(2) substituted (retrospective to 1.12.2003) by Finance Act 2004 (c. 12), **s. 303(3)**
- F7** Sch. 19 para. 7(4) added (with effect in accordance with Sch. 39 para. 26 of the amending Act) by Finance Act 2004 (c. 12), **Sch. 39 para. 22(8)** (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked Stamp Duty and Stamp Duty Land Tax (Variation of the Finance Act 2003) (No. 2) Regulations 2003 (S.I. 2003/2816), see Sch. 39 para. 14)

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Commencement Information

I7 Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

[^{F8}Stamping of contract where transaction on completion subject to stamp duty land tax

Textual Amendments

F8 Sch. 19 para. 7A and cross-heading inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 25\(1\)](#) (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked [Stamp Duty and Stamp Duty Land Tax \(Variation of the Finance Act 2003\) \(No. 2\) Regulations 2003 \(S.I. 2003/2816\)](#)), see Sch. 39 para. 14)

- 7A** (1) This paragraph applies where—
- (a) a contract that apart from paragraph 7 of Schedule 13 to the Finance Act 1999 (contracts chargeable as conveyances on sale) would not be chargeable with stamp duty is entered into before the implementation date,
 - (b) a conveyance made in conformity with the contract is effected on or after the implementation date, and
 - (c) the transaction effected on completion is an SDLT transaction or would be but for an exemption or relief from stamp duty land tax.
- (2) If in those circumstances the contract is presented for stamping together with a Revenue certificate as to compliance with the provisions of this Part of this Act in relation to the transaction effected on completion—
- (a) the payment of stamp duty land tax on that transaction or, as the case may be, the fact that no such tax was payable shall be denoted on the contract by a particular stamp, and
 - (b) the contract shall be deemed thereupon to be duly stamped.
- (3) In this paragraph “conveyance” includes any instrument.]

[^{F9}Stamping of agreement for lease where grant of lease subject to stamp duty land tax]

Textual Amendments

F9 Sch. 19 para. 8 heading substituted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 25\(2\)\(a\)](#) (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked [Stamp Duty and Stamp Duty Land Tax \(Variation of the Finance Act 2003\) \(No. 2\) Regulations 2003 \(S.I. 2003/2816\)](#)), see Sch. 39 para. 14)

- 8** (1) [^{F10}This paragraph applies where—]
- (a) an agreement for a lease is entered into before the implementation date,
 - (b) a lease giving effect to the agreement is executed on or after that date, and
 - (c) the transaction effected on completion is an SDLT transaction or would be but for an exemption or relief from stamp duty land tax.

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- [^{F11}(2) If in those circumstances the agreement is presented for stamping together with a Revenue certificate as to compliance with the provisions of this Part of this Act in relation to the grant of the lease—
- (a) the payment of stamp duty land tax in respect of the grant of the lease or, as the case may be, the fact that no such tax was payable shall be denoted on the agreement by a particular stamp, and
 - (b) the agreement shall be deemed thereupon to be duly stamped.]
- (3) For the purposes of this paragraph a lease gives effect to an agreement if the lease either is in conformity with the agreement or relates to substantially the same property and term as the agreement.
- (4) References in this paragraph to an agreement for a lease include missives of let in Scotland.

Textual Amendments

- F10** Words in Sch. 19 para. 8(1) substituted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 25\(2\)\(b\)](#) (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked [Stamp Duty and Stamp Duty Land Tax \(Variation of the Finance Act 2003\) \(No. 2\) Regulations 2003 \(S.I. 2003/2816\)](#), see Sch. 39 para. 14)
- F11** Sch. 19 para. 8(2) substituted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 25\(3\)](#) (which amending provision re-enacts, subject to certain changes, a corresponding amendment made by the now revoked [Stamp Duty and Stamp Duty Land Tax \(Variation of the Finance Act 2003\) \(No. 2\) Regulations 2003 \(S.I. 2003/2816\)](#), see Sch. 39 para. 14)

Commencement Information

- I8** Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

Exercise of option or right of pre-emption acquired before implementation date

- 9 (1) This paragraph applies where—
- (a) an option binding the grantor to enter into a land transaction, or
 - (b) a right of pre-emption preventing the grantor from entering into, or restricting the right of the grantor to enter into, a land transaction,
- is acquired before the implementation date and exercised on or after that date.
- (2) Where the option or right was acquired on or after 17th April 2003, any consideration for the acquisition is treated as part of the chargeable consideration for the transaction resulting from the exercise of the option or right.
- (3) Where the option or right was varied on or after 17th April 2003 and before the implementation date, any consideration for the variation is treated as part of the chargeable consideration for the transaction resulting from the exercise of the option or right.
- (4) Whether or not sub-paragraph (2) or (3) applies, the acquisition of the option or right and any variation of the option or right is treated as linked with the land transaction resulting from the exercise of the option or right.

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But not so as to require the consideration for the acquisition or variation to be counted twice in determining the [^{F12}amount] of tax chargeable on the land transaction resulting from the exercise of the option or right.

- (5) Where this paragraph applies any *ad valorem* stamp duty paid on the acquisition or variation of the option or right shall go to reduce the amount of tax payable on the transaction resulting from the exercise of the option or right (but not so as to give rise to any repayment).

Textual Amendments

- F12** Word in Sch. 19 para. 9(4) substituted (with effect in accordance with s. 2(2) of the amending Act) by Stamp Duty Land Tax Act 2015 (c. 1), Sch. para. 20 (with s. 2(3)-(6))

Commencement Information

- I9** Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

Supplementary

- 10 In this Schedule “contract” includes any agreement.

Commencement Information

- I10** Sch. 19 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

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Changes and effects yet to be applied to :

- Sch. 19 para. 7(4) added by [S.I. 2003/2760 Sch. para. 8\(10\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 19 para. 6(1) omitted by [S.I. 2003/2760 Sch. para. 11\(1\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 19 para. 8(2) substituted by [S.I. 2003/2760 Sch. para. 11\(3\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 19 para. 8(1) words substituted by [S.I. 2003/2760 Sch. para. 11\(2\)\(b\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 19 para. 8 heading substituted by [S.I. 2003/2760 Sch. para. 11\(2\)\(a\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 19 para. 4A 4B and heading inserted by [S.I. 2003/2760 Sch. para. 10](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 19 para. 7A and heading inserted by [S.I. 2003/2760 Sch. para. 11\(1\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by [S.I. 2019/110 reg. 5](#)

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):

- s. 57(3) inserted by [2011 c. 11 Sch. 22 para. 4](#)
- s. 87(3)(a)(ia) inserted by [S.I. 2003/2760 Sch. para. 3\(4\)\(a\)](#) (This amendment not applied to legislation.gov.uk. The affecting S.I. is revoked and superseded by S.I. 2003/2816)
- Sch. 12 para. 3(2)(aa) inserted by [2007 asp 3 Sch. 5 para. 32](#) (This effect was superseded by the repeal of Sch. 12 para. 3 by Finance Act 2008 (c. 9), s. 129(4), Sch. 43 para. 16)
- Sch. 12 para. 1A inserted by [2007 c. 15 Sch. 13 para. 147\(2\)](#) (The amending provision was repealed before coming into force.)
- Sch. 12 para. 1A omitted by [2008 c. 9 Sch. 43 para. 9](#) (The amending provision was repealed before coming into force.)