



Finance Act 1958

1958 CHAPTER 56

PART VI

STAMP DUTIES

34 Conveyances on sale, etc.

- (1) Subject to the following provisions of this section, any stamp duty chargeable under the heading "Conveyance or Transfer on sale" in the First Schedule to the Stamp Act, 1891, shall be charged at the following rates for every fifty pounds or fractional part of fifty pounds (in amount or value) of the consideration for the sale, that is to say:—

Where the consideration is £3,500 or under, and the instrument is certified at £3,500	Nil.
Where the consideration is £4,500 or under, and the instrument is certified at £4,500	5s.
Where the consideration is £5,250 or under, and the instrument is certified at £5,250	10s.
Where the consideration is £6,000 or under, and the instrument is certified at £6,000	15s.
In any other case	20s.

- (2) Where the amount or value of the consideration is less than three hundred pounds, but the instrument is not certified at three thousand five hundred pounds, the duty instead of being charged at the rates stated in subsection (1) above for every fifty pounds or fractional part of fifty pounds of the consideration shall be charged at rates equal to half the amounts so stated for every twenty-five pounds or fractional part of twenty-five pounds of the consideration or, if the consideration is less than twenty-five pounds, at

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rates equal to one tenth of the amounts so stated for every five pounds or fractional part of five pounds of the consideration.

- (3) Any duty chargeable by reference to the said heading " Conveyance or Transfer on sale " shall be charged accordingly, except as provided by subsection (5) of this section.
- (4) References in this section to an instrument being certified at a particular amount mean that it contains a statement certifying that the transaction effected by the instrument does not form part of a larger transaction or series of transactions in respect of which the amount or value, or aggregate amount or value, of the consideration exceeds that amount; and for this purpose—
- (a) any sale or contract or agreement for the sale of goods, wares or merchandise shall be disregarded in the case either—
- (i) of an instrument chargeable under the said heading " Conveyance or Transfer on sale ", other than an actual conveyance or transfer of the goods, wares or merchandise (with or without other property); or
 - (ii) of an instrument chargeable by reference to that heading under section fifty-nine of the Stamp Act, 1891 (which makes a contract or agreement for sale of certain property chargeable with duty as if it were an actual conveyance on sale); and
- (b) any such statement as aforesaid shall be construed as leaving out of account any matter which in accordance with paragraph (a) of this subsection is to be disregarded.
- (5) In relation—
- (a) to duty chargeable by reference to the said heading " Conveyance or Transfer on sale " by virtue of the heading " Lease or Tack " in the same Schedule, in a case where part of the consideration consists of rent, and that rent exceeds the sum of fifty pounds a year; or
- (b) to duty chargeable under or by reference to the said heading " Conveyance or Transfer on sale " as it applies to a conveyance or transfer of stock or marketable securities;

so much of the foregoing subsections as relates to instruments certified at six thousand pounds or at a lower figure shall not apply, and subject to subsection (6) of this section the rate of duty shall be determined according to the rates given by subsections (1) and (2) for instruments not so certified:

Provided that in the case of duty on a conveyance or transfer on sale of new local authority stock within the meaning of subsection (2) of section thirty-one of the Finance Act, 1953, or of duty chargeable by reference to the amount of the duty on such a conveyance or transfer, the rate of duty shall be one half the rate determined as aforesaid.

- (6) Where a conveyance, transfer or letting is made or agreed to be made to a body of persons established for charitable purposes only or to the trustees of a trust so established, any duty chargeable under or by reference to the said heading " Conveyance or Transfer on sale " shall be chargeable at the rate of ten shillings for every fifty pounds or fractional part of fifty pounds (or the corresponding rate under subsection (2) of this section) where apart from this subsection it would be chargeable at any higher rate:

Provided that no instrument not stamped with the duty to which it would apart from this subsection be liable shall be deemed by virtue of this subsection to be duly stamped

unless it has in accordance with the provisions of section twelve of the Stamp Act, 1891, been stamped with a particular stamp denoting that it is duly stamped.

- (7) Nothing in this section shall affect any enactment imposing an upper limit on the amount of duty chargeable ad valorem.
- (8) In exemption (11) in the heading " Receipt" in the same Schedule (which exempts certain receipts endorsed or otherwise written upon or contained in an instrument liable to stamp duty and duly stamped), the reference to an instrument liable to stamp duty and duly stamped shall be taken to extend to any instrument wholly relieved of duty by the provisions of this section relating to instruments-certified at three thousand five hundred pounds.
- (9) The foregoing subsections shall have effect as from the beginning of August, nineteen hundred and fifty-eight.
- (10) In relation to duty chargeable by reference to the said heading " Conveyance or Transfer on sale " by virtue of the said heading " Lease or Tack", section thirty-seven of the Finance Act, 1956 (which among other things excluded in certain cases the increase in duty so chargeable provided for by section seventy-three of the Finance (1909-10) Act, 1910), shall be deemed to have had effect as if the reference to section seventy-three had included a reference to section seventy-five of the said Act of 1910 (which had the same effect as section seventy-three in doubling the duty so chargeable).

35 Miscellaneous amendments

- (1) In the First Schedule to the Stamp Act, 1891—
 - (a) neither the heading " Bond, Covenant or Instrument of any kind whatsoever" nor the heading " Mortgage, Bond, Debenture, Covenant" shall extend to any instrument in respect of a covenant or agreement by any person, whether as principal or as surety—
 - (i) to pay, or to guarantee the payment of, sums payable for or in relation to the sale or hire of any goods, wares or merchandise, the sale, hire, construction or installation of any machinery or plant, the supply of electricity, or the execution of any building works or any works of civil engineering ; or
 - (ii) to reimburse or guarantee the reimbursement of advances made for or in respect of the payment of sums payable as aforesaid ;and the heading " Agreement or any Memorandum of an Agreement" and the heading " Deed of any kind whatsoever, not described in this schedule " shall be construed accordingly; and
 - (b) in the said heading " Agreement or any Memorandum of an Agreement" exemption (3) (which comprises any agreement, letter or memorandum made for or relating to the sale of any goods, wares or merchandise) shall not apply where the consideration for the sale includes sums payable at stated periods.

This subsection shall not be taken as affecting the duty chargeable on an instrument under the said heading " Mortgage, Bond, Debenture, Covenant" in respect of any security by way of charge on property or in respect of an agreement to give such a security.

- (2) Any discharge (by re-conveyance, surrender or otherwise) of a security given for an advance made by a local authority under any of the enactments mentioned below in this subsection shall be exempt from stamp duty.

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The enactments in question are—

- (a) as regards England and Wales, section one of the Small Dwellings Acquisition Act, 1899, section ninety-one and section ninety-two of the Housing Act, 1925, section ninety and section ninety-one of the Housing Act, 1936, section four of the Housing Act, 1949, and section forty-three of the Housing (Financial Provisions) Act, 1958 ; and
 - (b) as regards Scotland, section one of the Small Dwellings Acquisition Act, 1899, section seventy-four and section seventy-five of the Housing (Scotland) Act, 1925, section twenty-nine of the Housing (Scotland) Act, 1949, and section seventy-five of the Housing (Scotland) Act, 1950.
- (2) Any discharge (by re-conveyance, surrender or otherwise) of a security for sums payable to a local authority in respect of the sale or letting of houses by that authority under any of the enactments mentioned below in this subsection shall be exempt from stamp duty.

The enactments in question are—

- (a) as regards England and Wales, paragraph (d) of sub-section (1) of section fifty-nine of the Housing Act, 1925, paragraph (d) of subsection (1) of section seventy-nine of the Housing Act, 1936, and subsection (1) of section one hundred and four of the Housing Act, 1957; and
 - (b) as regards Scotland, paragraph (d) of subsection (1) of section forty-five of the Housing (Scotland) Act, 1925, and paragraph (d) of subsection (1) of section sixty-five of the Housing (Scotland) Act, 1950.
- (4) In section seventy-four of the Finance Act, 1952 (which relieves from stamp duty certain transfers of water undertakings and other property to joint boards or joint committees of local authorities, and certain conveyances and agreements for such transfers)—
- (a) in paragraph (a) of subsection (1) (which relates to transfers of water undertakings by order under the Water Act, 1945) after the words " by an order under the Water Act, 1945" there shall be inserted the words " or by or under any local Act of Parliament ", and for the words " to a joint board or joint committee consisting exclusively of representatives of local authorities" there shall be substituted the words " to any other water undertakers ";
 - (b) both in paragraph (b) of subsection (1) and in subsection (3) (which relate to transfers of property under the Public Health Act, 1936, or the Local Government (Scotland) Act, 1947, and to conveyances and agreements for such transfers under the said Act of 1947) for the words " from a local authority which is represented on the board or committee" there shall be substituted the words " from any local authority or from another such board or committee "; and
 - (c) in subsection (2) (which relates to contracts and agreements for transfers of water undertakings which are conditional on orders under the Water Act, 1945) after the words " an order under the Water Act, 1945 " there shall be inserted the words " or under any local Act of Parliament or on the passing of such an Act ".
- (5) No stamp duty shall be chargeable under or by reference to the heading " Conveyance or Transfer on sale" in the First Schedule to the Stamp Act, 1891, on any agreement made under section fourteen of the New Towns Act, 1946, by a development corporation under that Act for the transfer of the whole or part of the water undertaking

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or sewerage undertaking of that corporation, or on any conveyance, agreement or assignment made, or instrument executed, solely for the purpose of giving effect to such a transfer.

- (6) This section shall have effect as from the beginning of August, nineteen hundred and fifty-eight.