Finance Act 1999

1999 CHAPTER 16

PART VI

STAMP DUTY AND STAMP DUTY RESERVE TAX

Stamp duty

109 Interest and penalties on late stamping.

(1) For section 15 of the [M1]Stamp Act 1891 (penalty upon stamping instruments after execution) substitute—

“**15 Stamping after execution.**

(1) An unstamped or insufficiently stamped instrument may be stamped after being executed on payment of the unpaid duty and any interest or penalty payable.

(2) Any interest or penalty payable on stamping shall be denoted on the instrument by a particular stamp.

15A Late stamping: interest.

(1) Interest is payable on the stamping of an instrument which—

(a) is chargeable with *ad valorem* duty, and

(b) is not duly stamped within 30 days after the day on which the instrument was executed (whether in the United Kingdom or elsewhere).

(2) Interest is payable on the amount of the unpaid duty from the end of the period of 30 days mentioned in subsection (1)(b) until the duty is paid.

If an amount is lodged with the Commissioners in respect of the duty, the amount on which interest is payable is reduced by that amount.

(3) Interest shall be calculated at the rate applicable under section 178 of the [M2]Finance Act 1989 (power of Treasury to prescribe rates of interest).

(4) The amount of interest shall be rounded down (if necessary) to the nearest multiple of £5.

No interest is payable if that amount is less than £25.

(5) Interest under this section shall be paid without any deduction of income tax and shall not be taken into account in computing income or profits for any tax purposes.

15B Late stamping: penalties.

(1) A penalty is payable on the stamping of an instrument which is not presented for stamping within 30 days after—

(a) if the instrument is executed in the United Kingdom, the day on which it is so executed;

(b) if the instrument is executed outside the United Kingdom, the day on which it is first received in the United Kingdom.

(2) If the instrument is presented for stamping within one year after the end of the 30-day period mentioned in subsection (1), the maximum penalty is £300 or the amount of the unpaid duty, whichever is less.

(3) If the instrument is not presented for stamping until after the end of the one-year period mentioned in subsection (2), the maximum penalty is £300 or the amount of the unpaid duty, whichever is greater.

(4) The Commissioners may, if they think fit, mitigate or remit any penalty payable on stamping.

(5) No penalty is payable if there is a reasonable excuse for the delay in presenting the instrument for stamping.”.

(2) In section 178(2) of the [M3]Finance Act 1989 (enactments for purposes of which Treasury may prescribe rates of interest), before paragraph (a) insert—

“(aa) section 15A of the Stamp Act 1891;”.

(3) The consequential amendments in Schedule 12 to this Act have effect.

(4) This section applies to instruments executed on or after 1st October 1999.

Marginal Citations

M1 1891 c.39.

M2 1989 c.26.

M3 1989 c.26.