



Finance Act 2000

2000 CHAPTER 17

PART IV

STAMP DUTY AND STAMP DUTY RESERVE TAX

Stamp duty

125 Grant of leases etc between associated companies.

- (1) Amend section 151 of the ^{M1}Finance Act 1995 as follows.
- (2) In subsection (1) (stamp duty not chargeable on leases etc) at the end insert the following paragraph—

“This subsection is subject to subsection (4A) below.”.
- (3) After subsection (4) insert—

“(4A) An instrument shall not be exempt from stamp duty by virtue of subsection (1) above if at the time the instrument is executed arrangements are in existence by virtue of which at that or some later time any person has or could obtain, or any persons together have or could obtain, control of the lessee but not of the lessor.”.
- (4) In subsection (8) (body to be parent of another if beneficial owner of 75% of ordinary share capital) after “if at that time the first body” insert “ (a) ” and at the end of the subsection add—
 - “(b) is beneficially entitled to not less than 75 per cent of any profits available for distribution to equity holders of the second body; and
 - (c) would be beneficially entitled to not less than 75 per cent of any assets of the second body available for distribution to its equity holders on a winding-up.”.
- (5) In subsection (10)—
 - (a) after “The ownership referred to in” insert “ paragraph (a) of ”; and

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2000, Section 125. (See end of Document for details)*

- (b) for “this section” substitute “ that paragraph ”.
- (6) After subsection (10) insert—
- “(10A) Schedule 18 to the ^{M2}Income and Corporation Taxes Act 1988 shall apply for the purposes of paragraphs (b) and (c) of subsection (8) as it applies for the purposes of paragraphs (a) and (b) of section 413(7) of that Act; but this is subject to subsection (10B).
- (10B) In determining for the purposes of this section whether a body corporate is the parent of the lessor, paragraphs 5(3) and 5B to 5E of Schedule 18 to the Income and Corporation Taxes Act 1988 shall not apply for the purposes of paragraph (b) or (c) of subsection (8) above.
- (10C) In this section, “control” shall be construed in accordance with section 840 of the ^{M3}Income and Corporation Taxes Act 1988.”.
- (7) This section has effect in relation to instruments executed after the day on which this Act is passed.

Marginal Citations

- M1** 1995 c. 4.
M2 1988 c. 1.
M3 1988 c. 1.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2000, Section 125.