



# Finance Act 2003

## 2003 CHAPTER 14

### PART 4 U.K.

#### STAMP DUTY LAND TAX

##### *Application of provisions*

### 100 Companies U.K.

- (1) In this Part “company”, except as otherwise expressly provided, means any body corporate or unincorporated association, but does not include a partnership.
- (2) Everything to be done by a company under this Part shall be done by the company acting through—
  - (a) the proper officer of the company, or
  - (b) another person having for the time being having the express, implied or apparent authority of the company to act on its behalf for the purpose.Paragraph (b) does not apply where a liquidator has been appointed for the company.
- (3) Service on a company of any document under or in pursuance of this Part may be effected by serving it on the proper officer.
- (4) Tax due from a company that—
  - (a) is not a body corporate, or
  - (b) is incorporated under the law of a country or territory outside the United Kingdom,may, without prejudice to any other method of recovery, be recovered from the proper officer of the company.
- (5) The proper officer may retain out of any money coming into his hands on behalf of the company sufficient sums to pay that tax and, so far as he is not so reimbursed, he is entitled to be indemnified by the company in respect of the liability imposed on him.
- (6) For the purposes of this Part—

*Status: Point in time view as at 15/09/2016.*

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- (a) the proper officer of a body corporate is the secretary, or person acting as secretary, of the company, and
- (b) the proper officer of an unincorporated association, or of a body corporate that does not have a proper officer within paragraph (a), is the treasurer, or person acting as treasurer, of the company.

This subsection does not apply if a liquidator or administrator has been appointed for the company.

- (7) If a liquidator or administrator has been appointed for the company, then, for the purposes of this Part—
- (a) the liquidator or, as the case may be, the administrator is the proper officer, and
  - (b) if two or more persons are appointed to act jointly or concurrently as the administrator of the company, the proper officer is—
    - (i) such one of them as is specified in a notice given to the Inland Revenue by those persons for the purposes of this section, or
    - (ii) where the Inland Revenue is not so notified, such one or more of those persons as the Inland Revenue may designate as the proper officer for those purposes.

#### Commencement Information

**II** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

### 101 Unit trust schemes **U.K.**

- (1) This Part (with the exception of the [F1provision] mentioned in subsection (7) below) applies in relation to a unit trust scheme as if—
- (a) the trustees were a company, and
  - (b) the rights of the unit holders were shares in the company.
- (2) Each of the parts of an umbrella scheme is regarded for the purposes of this Part as a separate unit trust scheme and the scheme as a whole is not so regarded.
- (3) An “umbrella scheme” means a unit trust scheme—
- (a) that provides arrangements for separate pooling of the contributions of participants and the profits or income out of which payments are to be made for them, and
  - (b) under which the participants are entitled to exchange rights in one pool for rights in another.
- A “part” of an umbrella scheme means such of the arrangements as relate to a separate pool.
- (4) In this Part, subject to any regulations under subsection (5)—
- “unit trust scheme” has the same meaning as in the Financial Services and Markets Act 2000 (c. 8), and
  - “unit holder” means a person entitled to a share of the investments subject to the trusts of a unit trust scheme.
- (5) The Treasury may by regulations provide that a scheme of a description specified in the regulations is to be treated as not being a unit trust scheme for the purposes of this Part.

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Any such regulations may contain such supplementary and transitional provisions as appear to the Treasury to be necessary or expedient.

- (6) [<sup>F2</sup>Section 620 of the Corporation Tax Act 2010 (court investment funds treated as authorised unit trusts)] applies for the purposes of this Part as it applies for the purposes of that Act, with the substitution for references to an authorised unit trust of references to a unit trust scheme.
- (7) An unit trust scheme is not to be treated as a company for the purposes of—  
<sup>F3</sup> ...  
Schedule 7 (group relief, reconstruction relief or acquisition relief).

#### Textual Amendments

- F1** Words in s. 101(1) substituted (with effect in accordance with s. 166(4)-(8) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 166\(3\)\(a\)](#)
- F2** Words in s. 101(6) substituted (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 408 \(with Sch. 2\)](#)
- F3** Words in s. 101(7) repealed (with effect in accordance with s. 166(4)-(8) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 166\(3\)\(b\), Sch. 26 Pt. 7\(3\)](#)

#### Commencement Information

- I2** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

## 102 Open-ended investment companies **U.K.**

- (1) The Treasury may by regulations make such provision as they consider appropriate for securing that the provisions of this Part have effect in relation to—
- open-ended investment companies of such description as may be prescribed in the regulations, and
  - transactions involving such companies,
- in a manner corresponding, subject to such modifications as the Treasury consider appropriate, to the manner in which they have effect in relation to unit trust schemes and transactions involving such trusts.
- (2) The regulations may, in particular, make provision—
- modifying the operation of any prescribed provision in relation to open-ended investment companies so as to secure that arrangements for treating the assets of such a company as assets comprised in separate pools are given an effect corresponding to that of equivalent arrangements constituting the separate parts of an umbrella scheme;
  - treating the separate parts of the undertaking of an open-ended investment company in relation to which such provision is made as distinct companies for the purposes of this Part.
- (3) Regulations under this section may—
- make different provision for different cases, and
  - contain such incidental, supplementary, consequential and transitional provision as the Treasury think fit.
- (4) In this section—

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“open-ended investment company” has the meaning given by section 236 of the Financial Services and Markets Act 2000 (c. 8);  
“prescribed” means prescribed by regulations under this section; and  
“unit trust scheme” and “umbrella scheme” have the same meaning as in section 101.

#### Commencement Information

**I3** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

### [<sup>F4</sup>102A Co-ownership authorised contractual schemes **U.K.**

- (1) This section has effect for the purposes of this Part.
- (2) This Part, with the exception of Schedule 7 (see subsection (10)), applies in relation to a co-ownership authorised contractual scheme as if—
  - (a) the scheme were a company, and
  - (b) the rights of the participants were shares in the company.
- (3) An “umbrella COACS” means a co-ownership authorised contractual scheme—
  - (a) whose arrangements provide for separate pooling of the contributions of the participants and the profits or income out of which payments are made to them (“pooling arrangements”), and
  - (b) under which the participants are entitled to exchange rights in one pool for rights in another.
- (4) A “sub-scheme”, in relation to an umbrella COACS, means such of the pooling arrangements as relate to a separate pool.
- (5) Each of the sub-schemes of an umbrella COACS is regarded as a separate co-ownership authorised contractual scheme, and the umbrella COACS as a whole is not so regarded.
- (6) In relation to a sub-scheme of an umbrella COACS—
  - (a) references to chargeable interests are references to such of the chargeable interests as under the pooling arrangements form part of the separate pool to which the sub-scheme relates, and
  - (b) references to the scheme documents are references to such parts of the documents as apply to the sub-scheme.
- (7) References to a co-ownership authorised contractual scheme are treated as including a collective investment scheme which—
  - (a) is constituted under the law of an EEA State other than the United Kingdom by a contract,
  - (b) is managed by a body corporate incorporated under the law of an EEA State, and
  - (c) is authorised under the law of the EEA State mentioned in paragraph (a) in a way which makes it, under that law, the equivalent of a co-ownership authorised contractual scheme as defined in subsection (8),

provided that, apart from this section, no charge to tax is capable of arising to the scheme under this Part.

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- (8) Subject to any regulations under subsection (9)—
- “co-ownership authorised contractual scheme” means a co-ownership scheme which is authorised for the purposes of FSMA 2000 by an authorisation order in force under section 261D(1) of that Act;
- “co-ownership scheme” has the same meaning as in FSMA 2000 (see section 235A of that Act).
- (9) The Treasury may by regulations provide that a scheme of a description specified in the regulations is to be treated as not being a co-ownership authorised contractual scheme for the purposes of this Part.
- Any such regulations may contain such supplementary and transitional provisions as appear to the Treasury to be necessary or expedient.
- (10) A co-ownership authorised contractual scheme is not to be treated as a company for the purposes of Schedule 7 (group relief, reconstruction relief or acquisition relief).
- (11) In relation to a land transaction in respect of which a co-ownership authorised contractual scheme is treated as the purchaser by virtue of this section, references to the purchaser in the following provisions are to be read as references to the operator of the scheme—
- (a) sections 76, 80, 81, 81A and 108(2) and Schedule 10 (provisions about land transaction returns and further returns, enquiries, assessments and related matters),
  - (b) section 85 (liability for tax), and
  - (c) section 90 (application to defer payment in case of contingent or unascertained consideration).
- (12) In this section—
- “collective investment scheme” has the meaning given by section 235 of FSMA 2000;
- “FSMA 2000” means the Financial Services and Markets Act 2000;
- “operator”—
- (a) in relation to a co-ownership authorised contractual scheme constituted under the law of the United Kingdom, has the meaning given by section 237(2) of FSMA 2000, and
  - (b) in relation to a collective investment scheme treated as a co-ownership authorised contractual scheme by virtue of subsection (7) (equivalent EEA schemes), means the corporate body responsible for the management of the scheme (however described);
- “participant” is to be read in accordance with section 235 of FSMA 2000.]

#### Textual Amendments

F4 S. 102A inserted (15.9.2016) by Finance Act 2016 (c. 24), Sch. 16 para. 1

### 103 Joint purchasers **U.K.**

- (1) This section applies to a land transaction where there are two or more purchasers who are or will be jointly entitled to the interest acquired.

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- (2) The general rules are that—
- (a) any obligation of the purchaser under this Part in relation to the transaction is an obligation of the purchasers jointly but may be discharged by any of them,
  - (b) anything required or authorised by this Part to be done in relation to the purchaser must be done by or in relation to all of them, and
  - (c) any liability of the purchaser under this Part in relation to the transaction (in particular, any liability arising by virtue of the failure to fulfil an obligation within paragraph (a)), is a joint and several liability of the purchasers.

These rules are subject to the following provisions.

- (3) If the transaction is a notifiable transaction, a single land transaction return is required.
- (4) The declaration required by paragraph 1(1)(c) of Schedule 10 <sup>F5</sup>... (declaration that return <sup>F5</sup>... is complete and correct) must be made by all the purchasers.
- (5) If the Inland Revenue give notice of an enquiry into the return <sup>F6</sup>...—
  - (a) the notice must be given to each of the purchasers,
  - (b) the powers of the Inland Revenue as to the production of documents and provision of information for the purposes of the enquiry are exercisable separately (and differently) in relation to each of the purchasers,
  - (c) any of the purchasers may apply for a direction that a closure notice be given (and all of them are entitled to [<sup>F7</sup>to be parties to the application]), and
  - (d) the closure notice must be given to each of the purchasers.
- (6) A Revenue determination or discovery assessment relating to the transaction must be made against all the purchasers and is not effective against any of them unless notice of it is given to each of them whose identity is known to the Inland Revenue.
- (7) In the case of an appeal arising from proceedings under this Part relating to the transaction—
  - (a) the appeal may be brought by any of the purchasers,
  - (b) notice of the appeal must be given to any of them by whom it is not brought,
  - (c) the agreement of all the purchasers is required if the appeal is to be settled by agreement,
  - [<sup>F8</sup>(d) if it is not settled, and is notified to the tribunal, any of them are entitled to be parties to the appeal, and]
  - [<sup>F9</sup>(e) the tribunal's decision on the appeal binds all of them.]
- [<sup>F10</sup>(7A) In a case where subsection (7) applies and some (but not all) of the purchasers require HMRC to undertake a review under paragraph 36B or 36C of Schedule 10—
  - (a) notification of the review must be given by HMRC to each of the other purchasers whose identity is known to HMRC,
  - (b) any of the other purchasers may be a party to the review if they notify HMRC in writing,
  - (c) the notice of HMRC's conclusions must be given to each of the other purchasers whose identity is known to HMRC,
  - (d) paragraph 36F of Schedule 10 (effect of conclusions of review) applies in relation to all of the purchasers, and
  - (e) any of the purchasers may notify the appeal to the tribunal under paragraph 36G.]

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- (8) This section has effect subject to—  
the provisions of Schedule 15 relating to partnerships, and  
the provisions of Schedule 16 relating to trustees.

#### Textual Amendments

- F5** Words in s. 103(4) omitted (with effect in accordance with s. 94(5) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 30 para. 4\(2\)](#)
- F6** Words in s. 103(5) omitted (with effect in accordance with s. 94(5) of the amending Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 30 para. 4\(3\)](#)
- F7** Words in s. 103(5)(c) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 369\(2\)](#)
- F8** S. 103(7)(d) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 369\(3\)\(a\)](#)
- F9** S. 103(7)(e) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 369\(3\)\(b\)](#)
- F10** S. 103(7A) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 369\(4\)](#)

#### Commencement Information

- I4** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

## 104 Partnerships **U.K.**

- (1) Schedule 15 has effect with respect to the application of this Part in relation to partnerships.
- (2) In that Schedule—  
Part 1 defines “partnership” and contains other general provisions, and  
Part 2 deals with ordinary partnership transactions, and  
Part 3 [<sup>F11</sup>makes special provision for certain transactions].

#### Textual Amendments

- F11** Words in s. 104(2) substituted (with effect in accordance with Sch. 41 para. 3 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 41 para. 2\(a\)](#)

#### Commencement Information

- I5** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

## 105 Trustees **U.K.**

Schedule 16 has effect with respect to the application of this Part in relation to trustees.

#### Commencement Information

- I6** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

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## 106 Persons acting in a representative capacity etc **U.K.**

<sup>F12</sup>(1) .....

<sup>F13</sup>(2) .....

- (3) The personal representatives of a person who is the purchaser under a land transaction—
- (a) are responsible for discharging the obligations of the purchaser under this Part in relation to the transaction, and
  - (b) may deduct any payment made by them under this Part out of the assets and effects of the deceased person.
- (4) A receiver appointed by a court in the United Kingdom having the direction and control of any property is responsible for discharging any obligations under this Part in relation to a transaction affecting that property as if the property were not under the direction and control of the court.

### Textual Amendments

**F12** S. 106(1) omitted (with effect in accordance with s. 222(6) of the amending Act) by virtue of [Finance Act 2012 \(c. 14\), s. 222\(2\)](#)

**F13** S. 106(2) omitted (with effect in accordance with s. 222(6) of the amending Act) by virtue of [Finance Act 2012 \(c. 14\), s. 222\(2\)](#)

### Commencement Information

**I7** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

## 107 Crown application **U.K.**

[<sup>F14</sup>(1) This Part binds the Crown, subject to the following provisions of this section.]

- (2) A land transaction under which the purchaser is any of the following is exempt from charge:

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### *Government*

A Minister of the Crown

The Scottish Ministers

A Northern Ireland department

[<sup>F15</sup>The Welsh Ministers, the First Minister for Wales and the Counsel General to the Welsh Government]

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### *Parliament etc*

The Corporate Officer of the House of Lords

The Corporate Officer of the House of Commons

The Scottish Parliamentary Corporate Body

The Northern Ireland Assembly Commission



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[<sup>F16</sup>The National Assembly for Wales Commission]

(3) The powers conferred by Part 7 of Schedule 13 (entry with warrant to obtain information) are not exercisable in relation to premises occupied for the purposes of the Crown.

[<sup>F17</sup>(4) Nothing in this section shall be read as making the Crown liable to prosecution for an offence.]

#### Textual Amendments

- F14** S. 107(1) substituted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 21\(2\)](#) (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)
- F15** Words in s. 107(2) inserted by [Government of Wales Act 2006 \(c. 32\)](#), s. 160, [Sch. 10 para. 65\(a\)](#) (with [Sch. 11 para. 22](#)), the amending provision coming into force immediately after "the 2007 election" (held on 3.5.2007) subject to s. 161(1)(4)(5) of the amending Act, which provides for certain provisions to come into force for specified purposes immediately after the end of "the initial period" (which ended with the day of the first appointment of a First Minister on 25.5.2007) - see ss. 46, s. 161(4)(5) of the amending Act.
- F16** Words in s. 107(2) substituted by [Government of Wales Act 2006 \(c. 32\)](#), s. 160, [Sch. 10 para. 65\(b\)](#) (with [Sch. 11 para. 22](#)), the amending provision coming into force immediately after "the 2007 election" (held on 3.5.2007) subject to s. 161(1)(4)(5) of the amending Act, which provides for certain provisions to come into force for specified purposes immediately after the end of "the initial period" (which ended with the day of the first appointment of a First Minister on 25.5.2007) - see ss. 46, s. 161(4)(5) of the amending Act.
- F17** S. 107(4) added (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 21\(3\)](#) (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** Pt. 4 wholly in force at Royal Assent subject to Sch. 19, see s. 124, Sch. 19 para. 1(1)

**Status:**

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**Changes to legislation:**

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