



Finance Act 2003

2003 CHAPTER 14

PART 4

STAMP DUTY LAND TAX

Reliefs

73 Alternative property finance: land sold to financial institution and re-sold to individual

- (1) This section applies where arrangements are entered into between an individual and a financial institution under which—
 - (a) the institution—
 - (i) purchases a major interest in land (“the first transaction”), and
 - (ii) sells that interest to the individual (“the second transaction”), and
 - (b) the individual grants the institution a legal mortgage over that interest.
- (2) The first transaction is exempt from charge if the vendor is—
 - (a) the individual concerned, or
 - (b) another financial institution by whom the interest was acquired under other arrangements of the kind mentioned in section 72(1) entered into between it and the individual.
- (3) The second transaction is exempt from charge if the financial institution complies with the provisions of this Part relating to the first transaction (including the payment of any tax chargeable).
- (4) This section does not apply if—
 - (a) the individual enters into the arrangements as trustee and any beneficiary of the trust is not an individual, or
 - (b) the individual enters into the arrangements as partner and any of the other partners is not an individual.
- (5) In this section—

Status: This is the original version (as it was originally enacted).

- (a) “financial institution” has the same meaning as in section 72;
 - (b) “legal mortgage”—
 - (i) in relation to land in England or Wales, means a legal mortgage as defined in section 205(1)(xvi) of the Law of Property Act 1925 (c. 20);
 - (ii) in relation to land in Scotland, means a standard security;
 - (iii) in relation to land in Northern Ireland, means a mortgage by conveyance of a legal estate or by demise or sub-demise or a charge by way of legal mortgage.
- (6) References in this section to an individual shall be read, in relation to times after the death of the individual concerned, as references to his personal representatives.