



Finance Act 2003

2003 CHAPTER 14

PART 4

STAMP DUTY LAND TAX

Liability for and payment of tax

87 Interest on unpaid tax

- (1) Interest is payable on the amount of any unpaid tax from the end of the period of 30 days after the relevant date until the tax is paid.
- (2) The Inland Revenue may by regulations amend subsection (1) so as to make interest run from the end of such shorter period after the relevant date as may be prescribed or, if the regulations so provide, from that date.
- (3) For the purposes of this section “the relevant date” is—
 - (a) in the case of an amount payable because relief is withdrawn under—
 - [^{F1}(ia) Schedule 6A (relief for certain acquisitions of residential property),]
 - (i) Part 1 of Schedule 7 (group relief),
 - (ii) Part 2 of that Schedule (reconstruction or acquisition relief), or
 - (iii) Schedule 8 (charities relief),the date of the disqualifying event;
 - [^{F2}(aza) in the case of an amount payable by virtue of paragraph 6 of Schedule 6B (adjustment for change of circumstances), the date of the event;]
 - [^{F3}(aa) in the case of an amount payable under section 81A in respect of an earlier transaction because of the effect of a later linked transaction, the effective date of the later transaction;]
 - [^{F4}(ab) in the case of an amount payable under paragraph 3(3) or 4(3) of Schedule 17A (leases that continue after a fixed term and treatment of leases for an indefinite term), the day on which the lease becomes treated as being for a longer fixed term;]

Status: Point in time view as at 19/07/2011. This version of this provision has been superseded.

Changes to legislation: Finance Act 2003, Section 87 is up to date with all changes known to be in force on or before 04 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (b) in the case of a deferred payment under section 90, the date when the deferred payment is due;
 - (c) in any other case, the effective date of the transaction.
- (4) In subsection (3)(a) “the disqualifying event” means—
- [^{F5}(za) in relation to the withdrawal of relief under Schedule 6A an event mentioned in paragraph (a), (b) or (c) of paragraph 11(2), (3), (4) or (5) of that Schedule;]
 - (a) in relation to the withdrawal of group relief, the purchaser ceasing to be a member of the same group as the vendor (within the meaning of Part 1 of Schedule 7);
 - (b) in relation to the withdrawal of reconstruction or acquisition relief, the change of control of the acquiring company mentioned in paragraph 9(1)(a) of that Schedule or, as the case may be, the event mentioned in paragraph 11(1)(a) or (2)(a) of that Schedule;
 - (c) in relation to the withdrawal of charities relief, a disqualifying event as defined in paragraph 2(3) [^{F6}or 3(2)] of Schedule 8.
- (5) Subsection (3)(c) applies in a case within section 51 (contingent, uncertain or unascertained consideration) if payment is not deferred under section 90, with the result that interest on any tax payable under section 80 (adjustment where contingency ceases or consideration is ascertained) runs from the effective date of the transaction.
- (6) If an amount is lodged with the Inland Revenue in respect of the tax, the amount on which interest is payable is reduced by that amount.
- (7) Interest is calculated at the rate applicable under section 178 of the Finance Act 1989 (c. 26) (power of Treasury to prescribe rates of interest).

Textual Amendments

- F1** S. 87(3)(a)(ia) inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 17\(4\)\(a\)](#) (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)
- F2** S. 87(3)(aza) inserted (with effect in accordance with Sch. 22 para. 9 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 22 para. 5](#)
- F3** S. 87(3)(aa) inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 19\(3\)](#) (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)
- F4** S. 87(3)(ab) inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 22\(5\)](#) (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)
- F5** S. 87(4)(za) inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 39 para. 17\(4\)\(b\)](#) (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)
- F6** Words in s. 87(4)(c) inserted (with effect in accordance with s. 302(7) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [s. 302\(6\)](#)

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Commencement Information

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

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