



Finance Act 1956

1956 CHAPTER 54

PART VI

STAMP DUTIES

39 Composition for duty on cheques, etc.

- (1) The Commissioners may enter into an agreement with any banker for the composition, in accordance with the following provisions of this section, of the stamp duty chargeable under the heading " Bill of Exchange payable on demand " in the First Schedule to the Stamp Act, 1891, on such instruments—
 - (a) drawn on the banker by his customers on forms supplied by him, or
 - (b) drawn by the banker on himself or another banker,as may be specified in the agreement.
- (2) Any such agreement shall require the banker to deliver to the Commissioners periodical accounts in respect of the instruments to which the agreement relates giving particulars—
 - (a) of forms supplied by him to his customers with a view to their being completed and issued as such instruments by the customers, and of forms so supplied but returned unused or spoilt, and
 - (b) of such instruments issued by him,and may contain such other terms and conditions as the Commissioners think proper.
- (3) Where any such agreement has been made with a banker, any instrument to which the agreement relates and which bears such indication of the payment of stamp duty as the Commissioners may require shall not be chargeable with stamp duty, but the banker shall pay to the Commissioners, on the delivery of any account under the agreement, such sums as would but for the provisions of this section have been chargeable by way of stamp duty on such instruments issued during the period to which the account relates, it being assumed for this purpose that the number of such instruments issued by his customers was equal to the number of forms supplied less the number of forms returned as mentioned in paragraph (a) of the last foregoing subsection.

Status: This is the original version (as it was originally enacted).

- (4) Where a banker makes default in delivering any account required by any such agreement or in paying the duty payable on the delivery of any such account, he shall be liable to a fine not exceeding fifty pounds for any day during which the default continues and shall also be liable to pay to Her Majesty, in addition to the duty, interest thereon at the rate of five per cent. per annum from the date when the default begins.