



Finance Act 2019

2019 CHAPTER 1

PART 2

OTHER TAXES

Stamp duty and SDRT

48 SDRT: listed securities and connected persons

- (1) This section applies if a person is connected with a company and—
- (a) the person or the person's nominee agrees to transfer listed securities to the company or the company's nominee (whether or not for consideration), or
 - (b) the person or the person's nominee transfers such securities to the company or the company's nominee for consideration in money or money's worth.
- (2) “Listed securities” are chargeable securities which are regularly traded on—
- (a) a regulated market,
 - (b) a multilateral trading facility, or
 - (c) a recognised foreign exchange,
- and expressions used in paragraphs (a) to (c) have the same meaning as in section 88B of FA 1986 (intermediaries: supplementary).
- (3) For the purposes of stamp duty reserve tax chargeable under section 87 of FA 1986 (the principal charge)—
- (a) in a case where the agreement is one to transfer listed securities for consideration in money or money's worth, the amount or value of the consideration is to be treated as being equal to—
 - (i) the amount or value of the consideration for the transfer, or
 - (ii) if higher, the value of the listed securities at the time the agreement is made;

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2019, Section 48. (See end of Document for details)

- (b) in any other case, the agreement to transfer listed securities is to be treated as being one for an amount of consideration in money equal to the value of the listed securities at the time the agreement is made.
- (4) Subsection (5) has effect for the purposes of stamp duty reserve tax chargeable under section 93 (depository receipts) or 96 (clearance services) of FA 1986.
- (5) If the amount or value of the consideration for any transfer of listed securities is less than the value of those securities at the time they are transferred, the transfer is to be treated as being for an amount of consideration in money equal to that value.
- (6) For the purposes of this section, the value of listed securities at any time is the price which they might reasonably be expected to fetch on a sale in the open market at that time.
- (7) Section 1122 of CTA 2010 (connected persons) has effect for the purposes of this section.
- (8) The Treasury may by regulations made by statutory instrument provide for this section not to apply in relation to particular cases.
- (9) Regulations under subsection (8) may have effect in relation to transactions entered into before the regulations come into force.
- (10) A statutory instrument containing regulations under subsection (8) is subject to annulment in pursuance of a resolution of the House of Commons.
- (11) This section is to be construed as one with Part 4 of FA 1986.
- (12) This section has effect—
 - (a) in relation to the charge to tax under section 87 of FA 1986 where—
 - (i) the agreement to transfer securities is conditional and the condition is satisfied on or after 29 October 2018, or
 - (ii) in any other case, the agreement is made on or after that date;
 - (b) in relation to the charge to tax under section 93 or 96 of that Act, where the transfer is on or after 29 October 2018 (whenever the arrangement was made).

Changes to legislation:

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