

Certain contracts for sale of leasehold interests to be chargeable as conveyances on sale. FA1978 s31(1) and (1A) 36.—(1) For the purposes of this section “transfer”, other than the last-mentioned reference in paragraph (ii) of subsection (2), means a transfer which would but for this section be chargeable with stamp duty.

(2) A contract or agreement for the sale of any leasehold interest in any immovable property shall, if—

(a) the purchaser enters into possession of the property before having obtained a transfer, duly stamped, of such interest, and

(b) a transfer of such interest made in pursuance of the contract or agreement is not duly stamped within the period of 9 months from the first execution of the contract or agreement or such longer period as the Commissioners may specify in writing, being a period which they consider reasonable in all the circumstances of the case,

be charged with the same ad valorem stamp duty, to be paid by the purchaser, as if it were an actual transfer on sale of the leasehold interest contracted or agreed to be sold, and where the ad valorem stamp duty charged on the contract or agreement has been duly paid in conformity with this section—

(i) the transfer of that leasehold interest made in pursuance of the contract or agreement shall not be chargeable with any duty,

(ii) the Commissioners, on application, either shall denote the payment of that duty on the transfer, or shall transfer it to the transfer on production of the contract or agreement duly stamped, and

(iii) that duty shall be returned where it is shown to the satisfaction of the Commissioners that the contract or agreement has been rescinded or annulled.