

Directions as to sub-sales. SA1891 s58(4) to (9) 46.—(1) Where—

(a) a person having contracted for the purchase of any property, but not having obtained a conveyance of that property, contracts to sell the same to any other person, and

(b) the property is in consequence conveyed immediately to the sub-purchaser,

then the conveyance shall be charged with ad valorem duty in respect of the consideration moving from the sub-purchaser.

(2) Where—

(a) a person having contracted for the purchase of any property but not having obtained a conveyance contracts to sell the whole, or any part or parts of that property, to any other person or persons, and

(b) the property is in consequence conveyed by the original seller to different persons in parts or parcels,

then the conveyance of each part or parcel shall be charged with ad valorem duty in respect only of the consideration moving from the sub-purchaser of such part or parcel, without regard to the amount or value of the original consideration.

(3) Where—

(a) a sub-purchaser takes an actual conveyance of the interest of the person immediately selling to such sub-purchaser, which is chargeable with ad valorem duty in respect of the consideration moving from such sub-purchaser, and

(b) such conveyance is duly stamped accordingly,

then any conveyance to be afterwards made to such sub-purchaser of the same property by the original seller shall be chargeable only with such other duty as it may be liable to, but the last-mentioned duty shall not exceed the ad valorem duty.

(4) (a) In paragraph (b) “the original seller” means, in relation to a case to which subsection (1) applies, the person from whom the property is conveyed to the sub-purchaser and, in relation to a case to which subsection (2) or (3) applies, the original seller referred to in subsection (2) or (3), as the case may be.

(b) The consideration moving from the sub-purchaser shall, in a case to which subsection (1), (2) or (3) applies, be ascertained without regard to the value of any covenant, power, condition or arrangement relating to the subject matter of the conveyance which was not in the contract for sale entered into by the original seller and also without regard to any consideration the duty on which or on any part of which would be

charged in accordance with subsection (2) of section 42.

(5) Paragraph (15) of the heading "CONVEYANCE or TRANSFER on sale of any property other than stocks or marketable securities or a policy of insurance or a policy of life insurance" in Schedule 1 shall not apply to determine the stamp duty to be charged on any conveyance referred to in subsection (1), (2) or (3).

(6) A conveyance in respect of which subsection (4) applies shall be deemed to be a conveyance operating as a voluntary disposition inter vivos for the purposes of section 30.