

Denotation of duty by adhesive stamps. FA1970 s41(2) and (3) 25.—(1) The duty on a bill of exchange or a promissory note may be denoted by an adhesive stamp which shall be cancelled by the person by whom the bill or note is signed before such person delivers it out of his or her hands, custody or power.

(2) Every person who issues, endorses, transfers, negotiates, presents for payment, or pays any bill of exchange or promissory note liable to duty and not being duly stamped shall incur a penalty of £500, and the person who takes or receives from any other person any such bill or note either in payment or as a security, or by purchase or otherwise, shall not be entitled to recover on such bill or note, or to make the same available for any purpose.

(3) Notwithstanding subsection (2), if any bill of exchange is presented for payment unstamped, the person to whom it is presented may affix to it an adhesive stamp of the amount of duty chargeable under this Act in respect of that bill, and cancel the same, as if he or she had been the drawer of that bill, and may, having affixed the stamp and cancelled it, pay the sum in that bill mentioned, and charge the duty in account against the person by whom that bill was drawn, or deduct the duty from that sum, and that bill shall, so far as respects the duty, be deemed valid and available.

(4) The affixing of an adhesive stamp to a bill of exchange in accordance with subsection (3) shall not relieve any person from any penalty incurred by such person in relation to such bill.