

Charging of consideration consisting of periodical payments. SA1891 s56 42.—(1) Where the consideration, or any part of the consideration, for a conveyance on sale consists of money payable periodically for a definite period not exceeding 20 years, so that the total amount to be paid can be previously ascertained, the conveyance shall be charged in respect of that consideration with ad valorem duty on such total amount.

(2) Where the consideration, or any part of the consideration, for a conveyance on sale consists of money payable periodically for a definite period exceeding 20 years, the conveyance shall be charged in respect of that consideration with ad valorem duty on the total amount which will or may, according to the terms of sale, be payable during the period of 20 years next after the day of the date of the instrument.

(3) Notwithstanding subsections (1) and (2), a conveyance on sale chargeable with ad valorem duty in respect of any periodical payments which contains a provision for securing the payments shall not be charged with any duty in respect of such provision, and any separate instrument made in such case for securing the payments shall not be charged with any higher duty than £10.