HMRC - STSM022240 - Stamp Duty: Repurchases And Stock Lending

FA86/S80C provides relief from Stamp Duty, subject to certain conditions, where a person (A) has entered into an arrangement with another person (B) under which B is to transfer stock to A or his nominee and stock of the same kind and amount is to be transferred by A or his nominee to B or his nominee. The transfers to B (or his nominee) or to A (or his nominee) are not chargeable with stamp duty if the conditions set out below are fulfilled.

An arrangement does not qualify for relief if it is not such as would be entered into by persons dealing at arm’s length or any of the benefits or risks arising from fluctuations, before the transfer to B or his nominee takes place, in the market value of the stock, accrues to, or falls on, A.

The conditions

There are two alternatives;-

Either

that A or B is authorised under the law of an EEA state to provide any of the investment services, or activities, listed in Section 2 or 3 of Annex 1 to Directive 2004/39/EC of the European Parliament and Council in relation to stock of the kind concerned, and

stock of the kind concerned is regularly traded on a regulated market ,

or

the arrangement is effected on (i.e. subject to the rules of, and reported to) a regulated market, multilateral trading facility or recognised foreign exchange

stock of the kind concerned is regularly traded on that market, facility or exchange

Top of page

How to claim the relief

Documents for stamping should be sent to Birmingham Stamp Office together with evidence that the conditions of the relief have been met.

Previous page