HMRC - STSM031070 - Calculation Of The Tax

Agreements to transfer chargeable securities are charged to Stamp Duty Reserve Tax (SDRT) at 0.5 per cent of the amount or value of the consideration.

Where securities are transferred into depositary receipt schemes or clearance services, the 0.5 per cent charge is replaced by a one-off charge at 1.5 per cent of the issue price or value, reflecting the fact that subsequent transfers of the receipts themselves will not be liable to any further charge. For further information see STSM050000.

The 1.5 per cent charge applies to transactions in UK shares but not in foreign shares (even if they are on a UK register or ‘paired’ with UK shares) - see FA86/S99 (10).

These are the same rates as ad valorem stamp duty but the rounding provisions are different. The SDRT charge is rounded to the nearest penny if necessary, taking 0.5 pence as nearest to the next whole penny above.

Previous page

Next page