HMRC - STSM031160 - Reliefs And Exemptions

The principal SDRT charge does not apply to:

securities the transfer of which is exempt from all stamp duties, and rights and interests relating to such securities e.g. loan capital exempt under FA86/S79(4) and government stocks (gilts).

agreements to transfer securities which are liable to either the depositary receipt charge or clearance service charge at 1.5 per cent, and certain purchases of such securities and depositary receipts by nominees

securities which are not chargeable securities

agreements to transfer shares and securities to charities and certain other institutions

transfers to Registered Social Landlords

most bearer instruments liable to bearer instrument duty

unit trusts, in respect of certain agreements on merger ( FA97/S100 and FA97/S101 ) and certain conversions to or amalgamations with OEICs.

agreements to transfer partnership shares or dividend shares to an approved share incentive plan (previously approved employee share ownership plan (AESOP)) - this mirrors the exemption from ad valorem stamp duty on purchases

purchases of chargeable securities by an intermediary

merchant banks acting as principal in public issues

stock lending transactions.

In addition, SDRT does not in practice arise on options or futures dealt in on LIFFE in the form of traded put or call options (as the writing or grant of such an option does not constitute a transfer). The exercise of an option may give rise to SDRT if there is no stamped share transfer.

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