HMRC - STSM056030 - Stamp Duty Payment Date And Stamp Duty Reserve Tax (SDRT) Accountable Date

Stamp duty

A period of up to 30 calendar days from the date of execution of an instrument, i.e. a stock transfer form, transferring (on sale or otherwise on sale) relevant securities to a depositary receipt issuer or clearance service, is allowed for the document to be forwarded to HM Revenue & Customs (HMRC) Stamp Taxes, along with any duty payable, without any interest or penalty falling due.

Stamp Duty Reserve Tax (SDRT) - Accountable Date

Where no document / stock transfer form is, or it is anticipated will be, executed upon which stamp duty will be paid and impressed within 60 days after the date of the agreement, the accountable person i.e. the depositary receipt issuer (or its nominee) or clearance service (or its nominee), is required under the provisions of Regulations 2 and 4 SDRT Regulations 1986 (SI 1986/1711), on or before the ‘accountable date’, to:

give notice to Stamp Taxes of each transaction involving chargeable securities where a charge to SDRT arises; and

pay the tax due.

The accountable date for Regulation 4 purposes is defined as being the seventh calendar day following the end of the month in which the charge arose.

For example, any unconditional agreement to transfer chargeable securities undertaken during say, the month of April, has to be formally notified by the accountable person to Stamp Taxes, along with payment of the tax due, on or before 7 May.

If the transaction could have been reported to a regulator through CREST (and the tax paid at the same time), but this was not done, then interest is chargeable from 14 days after the relevant transaction.

Occasionally, someone other than the accountable person as set out in the legislation may wish to account for the SDRT due. In such cases, the person is required to formally notify Stamp Taxes that they will account, under the provisions of Regulation 4, for the SDRT due on behalf of the accountable person. These arrangements require written authority from HMRC.

For the meaning of ‘relevant securities’ and ‘chargeable securities’, see STSM053020 and STSM053030

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