HMRC - STSM103050 - Liable And Accountable Person

The person liable for a charge to Stamp Duty Reserve Tax (SDRT) on a surrender of units in a unit trust is the trustee(s) of the unit trust scheme (FA99/SCH19/PARA2(3)).

The trustee(s) of an Open-Ended Investment Company (OEIC) is regarded as the liable person for a charge to SDRT as per SI 1997/1156 (as it applies to FA99/SCH19) when shares in an OEIC are surrendered.

The provisions of Regulation 4B of the Stamp Duty Reserve Tax Regulations 1986 (SI 1986/1711), however, require an ‘accountable person’ to give notice of, and pay any SDRT due on, a surrender of units or OEIC shares to HM Revenue & Customs (HMRC).

In this situation, the accountable person is:

On a surrender of a unit in a unit trust:

The manager ofthe unit trust scheme, and failing that

The trustee of the unit trust scheme

On a surrender of a share in an OEIC:

The Authorised Corporate Director of the company, and failing that, the company

A separate notice has to be sent to HMRC for each unit trust (or sub-fund of a unit trust) for which the accountable person is the manager or trustee. The Authorised Corporate Director of an OEIC or sub-fund of an OEIC is also required to provide a similar notice for each OEIC (or sub-fund of an OEIC) to which he has been appointed, failing which the OEIC itself is regarded as the accountable person.

The FA99/SCH19 charge applies only to units and OEIC shares which are surrendered and transferred prior to 30 March 2014. See STSM103005

See STSM101020 for the meaning of a unit trust.

See STSM101050 for the meaning of an OEIC.

Previous page

Next page