HMRC - STSM107040 - Investments Acquired By, Or Transferred To, A Collective Investment Scheme

Whenever ‘chargeable securities’ are purchased by a collective investment scheme (such as a unit trust or an open-ended investment company), the transfer is subject to a charge to Stamp Duty Reserve Tax (SDRT) under FA86/S87, calculated by reference to the consideration paid in money or money’s worth.

The SDRT charge may be cancelled, however, under FA86/S92 if an instrument which completes the transfer of the securities is executed (in pursuance of the agreement), upon which ad valorem stamp duty is paid and impressed thereon (or the instrument is not chargeable with stamp duty or otherwise required to be stamped).

See STSM031090 for the meaning of ‘chargeable securities’.

See STSM101010 for the meaning of a collective investment scheme.

See STSM101020 for the meaning of a unit trust.

See STSM101050 for the meaning of an open-ended investment company.

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