

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Land and Buildings Transaction Tax (Scotland) Act 2013. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULE 11 RECONSTRUCTION RELIEF AND ACQUISITION RELIEF

PART 2

RECONSTRUCTION RELIEF

Qualifying conditions

- 3 The qualifying conditions are—
- (a) that a company (“the acquiring company”) acquires the whole or part of the undertaking of another company (“the target company”) in pursuance of a scheme for the reconstruction of the target company,
 - (b) that the consideration for the acquisition consists wholly or partly of the issue of non-redeemable shares in the acquiring company to all shareholders of the target company,
 - (c) that after the acquisition has been made—
 - (i) each shareholder of each of the companies is a shareholder of the other, and
 - (ii) the proportion of shares of one of the companies held by any shareholder is the same, or as nearly as may be the same, as the proportion of shares of the other company held by that shareholder,
 - (d) that the acquisition—
 - (i) is effected for bona fide commercial reasons, and
 - (ii) does not form part of arrangements the main purpose, or one of the main purposes, of which is the avoidance of liability to the tax.

Commencement Information

I1 Sch. 11 para. 3 in force at 1.4.2015 by [S.S.I. 2015/108](#) , [art. 2](#)

- 4 Where the consideration for the acquisition consists partly of the issue of non-redeemable shares as mentioned in the qualifying condition (b), that condition is met only if the rest of the consideration consists wholly of the assumption or discharge by the acquiring company of liabilities of the target company.

Commencement Information

I2 Sch. 11 para. 4 in force at 1.4.2015 by [S.S.I. 2015/108](#) , [art. 2](#)

- 5 If, immediately before the acquisition, the target company or the acquiring company holds any of its own shares, the shares are treated for the purposes of qualifying conditions [^{F1}(b) and (c)] as having been cancelled before the acquisition (and, accordingly, the company is to be treated as if it were not a shareholder of itself).

Textual Amendments

F1 Words in Sch. 11 para. 5 substituted (1.1.2015) by [Revenue Scotland and Tax Powers Act 2014 \(asp 16\)](#) , s. 260(2) , [Sch. 4 para. 9\(21\)\(b\)](#) (with ss. 257-259); [S.S.I. 2014/370](#) , [art. 2](#) , [Sch.](#)

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Commencement Information

I3 Sch. 11 para. 5 in force at 1.4.2015 by [S.S.I. 2015/108](#) , [art. 2](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- sch. 2A para. 6(1A) inserted by [S.S.I. 2024/104 art. 6\(a\)](#)
- sch. 2A para. 8(1)(d) inserted by [S.S.I. 2024/104 art. 7\(5\)](#)
- sch. 2A para. 9B9C and cross-headings inserted by [S.S.I. 2024/104 art. 8](#)
- sch. 6A inserted by [S.S.I. 2024/104 sch.](#)