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STATUTORY INSTRUMENTS

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**2004 No.1069**

**TAXES**

**The Stamp Duty Land Tax (Amendment of Part  
4 of the Finance Act 2003) Regulations 2004**

<i>Made</i>	- - - -	<i>6th April 2004</i>
<i>Laid before the House of Commons</i>	- - - -	<i>6th April 2004</i>
<i>Coming into force</i>	- -	<i>7th April 2004</i>

The Treasury, in exercise of the powers conferred upon them by section 50(2) and (3) of the Finance Act 2003<sup>(1)</sup> make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Stamp Duty Land Tax (Amendment of Part 4 of the Finance Act 2003) Regulations 2004 and shall come into force 7th April 2004.

**Amendment of the Finance Act 2003**

2. Part 4 of the Finance Act 2003 is amended as follows.

3. In section 47(3)—

(a) at the end of the entry relating to paragraph 5 and 6 of Schedule 4 (exchanges, partition, etc) omit “and”; and

(b) after that entry insert the following entry—

“paragraph 17 of that Schedule (arrangements involving public or educational bodies), and”.

4.—(1) Amend Schedule 4 (stamp duty land tax: chargeable consideration) as follows.

(2) In paragraph 5 (consideration in the cases of exchanges)—

(a) in sub-paragraph (6) omit the entry relating to paragraph 17; and

(b) after that sub-paragraph add—

“(7) This paragraph does not apply in a case to which paragraph 17 applies.”.

(3) In paragraph 17 (determining the chargeable consideration arrangements for land transactions involving public or educational bodies)(2)—

(a) in sub-paragraph (1)—

(i) for paragraphs (a) and (b) substitute—

“(a) there is a transfer, or the grant or assignment of a lease, of land by a qualifying body (“A”) to a non-qualifying body (“B”) (“the main transfer”),

(b) in consideration (whether in whole or in part) of the main transfer there is a grant by A to B of a lease or under-lease of the whole, or substantially the whole, of that land (“the leaseback”);”;

(ii) for the words from “whether or not” to the end substitute—

“whether or not there is also a transfer, or the grant or assignment of a lease, of any other land by A to B (a “transfer of surplus land”).”;

(b) for sub-paragraphs (3) and (4) substitute—

“(3) The following shall not count as chargeable consideration for the main transfer or any transfer of surplus land—

(a) the lease-back;

(b) the carrying out of building works by B for A; or

(c) the provision of services by B to A.

(4) The chargeable consideration for the lease back does not include—

(a) the main transfer;

(b) any transfer of surplus land; or

(c) the consideration in money paid by A to B for the building works or other services referred to in sub-paragraph (3).”;

(c) for sub-paragraph (5)(b) substitute—

“(b) references in sub-paragraph (1) to assignment were references to assignation.”.

6th April 2004

*Joan Ryan*  
*John Heppell*  
Two of the Lords Commissioners of Her  
Majesty’s Treasury

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend Part 4 of the Finance Act 2003 (c. 14: “the Act”) to make further provision in respect of the computation of chargeable consideration in respect of land transactions involving public or educational bodies.

Regulation 1 provides for the citation and commencement of the instrument.

Regulation 2 introduces the amendments.

Regulation 3 makes an amendment to section 47 of the Act consequential upon the changes to Schedule 4 which are contained in regulation 4.

Regulation 4 amends Schedule 4 to the Act. The amendments disapply paragraph 5 in the case of a land transaction to which paragraph 17 applies, and amend the manner in which chargeable consideration is computed in a case to which that paragraph applies.

These Regulations do not impose any new costs on business.