



Finance Act 1994

1994 CHAPTER 9

PART VI

[^{F1}^{F2}STAMP DUTY]

Textual Amendments

- F1** Pt. VI heading substituted (11.2.2005) by [The Stamp Duty Land Tax \(Consequential Amendment of Enactments\) Regulations 2005 \(S.I. 2005/82\)](#), art. 1reg. 3(2)
- F2** Pt. VI heading substituted (30.7.2009) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), s. 48(3)(5); S.I. 2009/2094, art. 2

239 Execution of deeds.

(1) In section 122 of the ^{M1}Stamp Act 1891 (definitions)—

(a) after subsection (1) there shall be inserted—

“(1A) For the purposes of this Act a deed (or, in Scotland, a deed for which delivery is required) shall be treated as executed when it is delivered or, if it is delivered subject to conditions, when the conditions are fulfilled”, and

(b) at the end of the definition of “executed” and “execution” in subsection (1) there shall be added “(but subject to subsection (1A) of this section) ”.

(2) In section 27 of the ^{M2}Stamp Duties Management Act 1891 (definitions), in the definition of “executed” and “execution”, for the words following “execution” there shall be substituted “ have the same meaning as in the Stamp Act 1891 ”.

(3) This section shall apply to any instrument except one which, on or before 7th December 1993, has been executed for the purposes of the ^{M3}Stamp Act 1891 as that Act has effect before amendment by this section.

Changes to legislation: Finance Act 1994, Part VI is up to date with all changes known to be in force on or before 23 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Marginal Citations

- M1** 1891 c. 39.
M2 1891 c. 38.
M3 1891 c. 39.

[^{F3}240 Time for presenting agreement for lease.

- (1) This section applies if there are presented for stamping at the same time in pursuance of Schedule 13 to the Finance Act 1999—
 - (a) an agreement for a lease, and
 - (b) the lease which gives effect to the agreement, and the duty (if any) chargeable on the agreement is paid.
- (2) Section 15A of that Act (interest payable on late stamping) applies in relation to the agreement as if the reference to the day on which the instrument was executed were to the day on which the lease was executed.
- (3) For the purposes of section 15B of that Act (penalty on late stamping) the agreement is treated—
 - (a) as if it had been executed at the same time and place as the lease, and
 - (b) where the lease was executed outside the United Kingdom, as if it had been first received in the United Kingdom at the same time as the lease.
- (4) For the purposes of this section a lease gives effect to an agreement if the lease is granted subsequent to the agreement and either is in conformity with the agreement or relates to substantially the same property and term as the agreement.
- (5) References in this section to an agreement for a lease include missives of let in Scotland.]

Textual Amendments

- F3** Ss. 240, 240A substituted for s. 240 (27.7.1999 with application as mentioned in [s. 109\(4\)](#) of the amending Act) by [1999 c. 16, s. 109\(3\), 122, Sch. 12 para. 4](#)

^{F4}240A Requirements before lease treated as duly stamped.

- (1) A lease shall not be treated as duly stamped unless—
 - (a) it contains a certificate that there is no agreement to which it gives effect, or
 - (b) it is stamped with a stamp denoting—
 - (i) that there is an agreement to which it gives effect which is not chargeable with duty, or
 - (ii) the duty paid on the agreement to which it gives effect.
- (2) For the purposes of this section a lease gives effect to an agreement if the lease is granted subsequent to the agreement and either is in conformity with the agreement or relates to substantially the same property and term as the agreement.
- (3) References in this section to a lease do not include, and references in this section to an agreement do include, missives of let in Scotland.

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Textual Amendments

- F4** Ss. 240, 240A substituted for s. 240 (27.7.1999 with application as mentioned in [s. 109\(4\)](#) of the amending Act) by [1999 c. 16, s. 109\(3\), 122, Sch. 12 para. 4](#)

241 Exchange, partition, etc.

(1) Where—

- (a) the consideration for the transfer or vesting of any estate or interest in land or the grant of any [^{F5}lease] consists of or includes any property, and
- (b) for the purposes of stamp duty chargeable under or by reference to [^{F6}Part I of Schedule 13 to the Finance Act 1999 (conveyance or transfer on sale)] no amount or value is, apart from this section, attributed to that property on that transfer, vesting or grant,

then, for those purposes, the consideration or, as the case may be, the consideration so far as relating to that property shall be taken to be the market value of the property immediately before the instrument in question is executed and accordingly the instrument shall be charged with ad valorem duty under that heading.

- (2) For the purposes of this section the market value of property at any time is the price which that property might reasonably be expected to fetch on a sale at that time in the open market.

^{F7}(3)

^{F7}(4)

^{F7}(5)

- (6) This section shall apply to instruments executed after 7th December 1993, not being instruments executed in pursuance of a contract made before 30th November 1993.

Textual Amendments

- F5** Word in s. 241(1)(a) substituted (27.7.1999 with effect as mentioned in [s. 112\(6\)](#) of the amending Act) by [1999 c. 16, s. 112\(4\)\(6\), 122, Sch. 14 para. 30\(a\)](#)
- F6** Words in s. 241(1)(b) substituted (27.7.1999 with effect as mentioned in [s. 112\(6\)](#) of the amending Act) by [1999 c. 16, s. 112\(4\)\(6\), 122, Sch. 14 para. 30\(b\)](#)
- F7** S. 241(3)-(5) repealed (27.7.1999 with effect as mentioned in Notes 1 and 2 to Sch. 20 Pt. V(2) of the repealing Act) by [1999 c. 16, s. 139, Sch. 20 Pt. V\(2\)](#)

242 Where consideration not ascertainable from conveyance or lease.

- (1) Where, for the purposes of stamp duty chargeable under or by reference to [^{F8}Part I of Schedule 13 to the Finance Act 1999 (conveyance or transfer on sale)], the consideration, or any part of the consideration, for—

- (a) the transfer or vesting of any estate or interest in land, or
- (b) the grant of any [^{F9}lease],

cannot, apart from this subsection, be ascertained at the time the instrument in question is executed, the consideration for the transfer, vesting or grant shall for those purposes

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be taken to be the market value immediately before the instrument is executed of the estate or interest transferred or vested or, as the case may be, the [F⁹lease] granted.

(2) Where, for the purposes of stamp duty chargeable under [F¹⁰paragraph 12 of Schedule 13 to the Finance Act 1999], the rent, or any part of the rent, payable under any [F⁹lease] cannot, apart from this subsection, be ascertained at the time it is executed, the rent shall for those purposes be taken to be the market rent at that time.

(3) For the purposes of this section—

- (a) the cases where consideration or rent cannot be ascertained at any time do not include cases where the consideration or rent could be ascertained on the assumption that any future event mentioned in the instrument in question were or were not to occur, and
- (b) the market rent of a [F⁹lease] at any time is the rent which the [F⁹lease] might reasonably be expected to fetch at that time in the open market,

and in this section “market value” has the same meaning as in section 241 above.

(4) This section shall apply to instruments executed after 7th December 1993.

Textual Amendments

- F8** Words in s. 242(1) substituted (27.7.1999 with effect as mentioned in s. 112(6) of the amending Act) by 1999 c. 16, s. 112(4), 122, [Sch. 14 para. 31\(3\)](#)
- F9** Words in s. 242 substituted (27.7.1999 with effect as mentioned in s. 112(6) of the amending Act) by 1999 c. 16, s. 112(4), 122, [Sch. 14 para. 31\(2\)](#)
- F10** Words in s. 242(2) substituted (27.7.1999 with effect as mentioned in s. 112(6) of the amending Act) by 1999 c. 16, s. 112(4), 122, [Sch. 14 para. 31\(4\)](#)

243 Agreements to surrender leases.

(1) Where, in pursuance of any agreement, any lease is surrendered (or, in Scotland, renounced) at any time otherwise than by deed, the agreement shall be treated for the purposes of [F¹¹stamp duty] as if it were a deed executed at that time effecting the surrender (or, as the case may be, renunciation).

(2) This section shall apply to any agreement made after 7th December 1993.

Textual Amendments

- F11** Words in s. 243 substituted (27.7.1999 with effect as mentioned in s. 112(6) of the amending Act) by 1999 c. 16, s. 112(4), 122, [Sch. 14 para. 32](#)

244 Production of documents on transfer of land in Northern Ireland.

(1) Subject to section 245 below, on the occasion of—

- (a) any transfer on sale of any freehold interest in land in Northern Ireland, or
- (b) the grant, or any transfer on sale, of any lease of such land,

the transferee, lessee or proposed lessee shall produce to the Commissioners the instrument by means of which the transfer is effected or the lease granted or agreed to be granted, as the case may be.

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- (2) Any transferee, lessee or proposed lessee required to produce any instrument under subsection (1) above shall produce with it a document (signed by him or by some person on his behalf and showing his address) giving such particulars as may be prescribed.
- (3) Any person who, within thirty days—
 - (a) after the execution of an instrument which he is required under subsection (1) above to produce, or
 - (b) in the case of such an instrument executed at a place outside Northern Ireland, after it is first received in Northern Ireland,
 fails to comply with that subsection or subsection (2) above shall be liable on summary conviction to a fine not exceeding level 1 on the standard scale.
- (4) Where any agreement for any lease of land in Northern Ireland is produced to the Commissioners together with a document (signed as mentioned in subsection (2) above) giving such particulars as may be prescribed—
 - (a) it shall not be necessary to produce to them the instrument granting the lease, or any further such document as is referred to in that subsection, unless that instrument is inconsistent with the agreement, but
 - (b) the Commissioners shall, if any such instrument is produced to them and application is made for that purpose, denote on the instrument that it has been produced to them.
- (5) Notwithstanding anything in section 12 of the ^{M4}Stamp Act 1891, no instrument required by this section to be produced to the Commissioners shall be deemed, for the purposes of section 14 of that Act, to be duly stamped unless it is stamped with a stamp denoting that the instrument has been so produced.

Commencement Information

II S. 244 wholly in force; s. 244 not in force at Royal Assent, see s. 245(8); s. 244 in force at 4.11.1996 by [S.I. 1996/2316, art. 2](#)

Marginal Citations

M4 [1891 c. 39.](#)

245 Production of documents: supplementary.

- (1) Section 244 above shall not apply to any instrument (an “exempt instrument”) falling within any prescribed class; but regulations may, in respect of exempt instruments or such descriptions of exempt instruments as may be prescribed, require such a document as is mentioned in subsection (2) of that section to be furnished in accordance with the regulations to the Commissioner of Valuation for Northern Ireland.
- (2) [^{F12}The information contained in any document produced to the Commissioners under section 244(2) above shall be available for use by the Commissioner of Valuation for Northern Ireland.]
- (3) Any person who fails to comply with any requirement imposed by virtue of subsection (1) above shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale.

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- (4) Section 244 above shall also not apply to any instrument which relates solely to—
- (a) incorporeal hereditaments or to a grave or right of burial, ^{F13}...
 - (b) land subject to land purchase annuities which are registered in the Land Registry in Northern Ireland. [^{F14}or]
 - [^{F15}(c) an SDLT transaction within the meaning of paragraph 1(2) of Schedule 19 to the Finance Act 2003.]
- (5) In this section and section 244 above—
- “lease”—
 - (a) includes an underlease or other tenancy and an agreement for a lease, underlease or tenancy, but
 - (b) does not include a mortgage, charge or lien on any property for securing money or money’s worth,
- and “lessee” and “grant” shall be construed accordingly,
“prescribed” means prescribed by regulations, and
“regulations” means regulations made by the Commissioners under this section.
- (6) The power to make regulations under this section shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of the House of Commons.
- (7) Regulations under this section may make different provision for different cases.
- (8) This section and section 244 above shall come into force on such day as the Treasury may by order made by statutory instrument appoint.]

Subordinate Legislation Made

P1 S. 245(8) power exercised: 4.11.1996 appointed by [S.I. 1996/2316](#), **art. 2**

Textual Amendments

F12 S. 245(2) substituted (30.7.2009) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), **s. 48(2)(5)**; [S.I. 2009/2094](#), **art. 2**

F13 Word in s. 245(4)(a) omitted (1.12.2003) by virtue of [The Stamp Duty Land Tax \(Consequential Amendment of Enactments\) Regulations 2003 \(S.I. 2003/2867\)](#), reg. 1, **Sch. para. 22(a)**

F14 Word in s. 245(4)(b) inserted (1.12.2003) by [The Stamp Duty Land Tax \(Consequential Amendment of Enactments\) Regulations 2003 \(S.I. 2003/2867\)](#), reg. 1, **Sch. para. 22(b)**

F15 S. 245(4)(c) added (1.12.2003) by [The Stamp Duty Land Tax \(Consequential Amendment of Enactments\) Regulations 2003 \(S.I. 2003/2867\)](#), reg. 1, **Sch. para. 22(c)**

Commencement Information

I2 S. 245 wholly in force; s. 245 not in force at Royal Assent, see s. 245(8); s. 245 in force at 4.11.1996 by [S.I. 1996/2316](#), **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):

- s. 16A(2)(g) inserted by [2023 c. 30 Sch. 13 para. 28](#)
- s. 160(2)-(7) modified by 2010 c. 8 s. 464(6) (as inserted) by [2017 c. 32 Sch. 5 para. 1](#)
- Sch. 5 para. 2(1)(pa) inserted by [S.I. 2022/109 reg. 4](#) (This amendment not applied to [legislation.gov.uk](https://www.legislation.gov.uk). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)