

**Changes to legislation:** Finance Act 1999, Part II is up to date with all changes known to be in force on or before 11 September 2023. 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

## SCHEDULES

### SCHEDULE 15

#### STAMP DUTY: BEARER INSTRUMENTS

##### Modifications etc. (not altering text)

- C1** Sch. 15 modified (27.7.1999 with effect as mentioned in s. 113(4) of 1999 c. 16) by 1988 c. 39, s. 143(4) (a) (as inserted (27.7.1999 with effect as mentioned in s. 113(4) of the amending Act) by 1999 c. 16, s. 113(3), Sch. 16 para. 11)

### PART II

#### EXEMPTIONS

##### *<sup>F1</sup>Substitute instruments*

##### Textual Amendments

- F1** Sch. 15 para. 12A and cross-heading inserted (with effect in accordance with s. 99(2) of the amending Act) by Finance Act 2008 (c. 9), Sch. 32 para. 11(3)

- 12A (1) Stamp duty is not chargeable on a substitute instrument.
- (2) A substitute instrument is a bearer instrument given in substitution for a like instrument stamped *ad valorem* (whether under this Schedule or otherwise) (“the original instrument”).
- (3) The substitute instrument shall not be treated as duly stamped unless it appears by some stamp <sup>F2</sup>... on it that the full and proper duty has been paid on the original instrument.]

##### Textual Amendments

- F2** Word in Sch. 15 para. 12A(3) omitted (22.4.2019) by virtue of The Stamp Duty (Method of Denoting Duty) Regulations 2019 (S.I. 2019/719), regs. 1, 4(a)(ii)

##### *Foreign loan securities*

- 13 Stamp duty is not chargeable on a bearer instrument issued outside the United Kingdom in respect of a loan which is expressed in a currency other than sterling and which is not—
- (a) offered for subscription in the United Kingdom, or

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- (b) offered for subscription with a view to an offer for sale in the United Kingdom of securities in respect of the loan.

*Stock exempt from duty on transfer*

- 14 Stamp duty is not chargeable under this Schedule on an instrument constituting, or used for transferring, stock (other than units in a unit trust) that is exempt from all stamp duties on transfer.

*Instruments in respect of which duty previously abolished*

- 15 Stamp duty is not chargeable under this Schedule on any description of instrument in respect of which duty was abolished by—
- (a) section 64 of the <sup>M1</sup>Finance Act 1971 or section 5 of the <sup>M2</sup>Finance Act (Northern Ireland) 1971 (abolition of duty on mortgages, bonds, debentures etc.), or
  - (b) section 173 of the <sup>M3</sup>Finance Act 1989 (life insurance policies and superannuation annuities).

**Marginal Citations**

- M1** 1971 c.68.  
**M2** 1971 c.27(N.I).  
**M3** 1989 c.26.

*Renounceable letters of allotment*

- 16 Stamp duty is not chargeable under this Schedule on renounceable letters of allotment, letters of rights or other similar instruments where the rights under the letter or other instrument are renounceable not later than six months after its issue.

*Instruments relating to non-sterling stock*

- 17 (1) Stamp duty is not chargeable under this Schedule on the issue of an instrument which relates to stock expressed—
- (a) in a currency other than sterling, or
  - (b) in units of account defined by reference to more than one currency (whether or not including sterling),
- or on the transfer of the stock constituted by or transferable by means of any such instrument.
- (2) Where the stock to which the instrument relates consists of a loan for the repayment of which there is an option between sterling and one or more other currencies, subparagraph (1) applies if the option is exercisable only by the holder of the stock and does not apply in any other case.
- 18 Where the capital stock of a company is not expressed in terms of any currency, it shall be treated for the purposes of paragraph 17 as expressed in the currency of the territory under the law of which the company is formed or established.

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- 19 (1) A unit under a unit trust scheme or a share in a foreign mutual fund shall be treated for the purposes of paragraph 17 as capital stock of a company formed or established in the territory by the law of which the scheme or fund is governed.
- (2) A “foreign mutual fund” means a fund administered under arrangements governed by the law of a territory outside the United Kingdom under which subscribers to the fund are entitled to participate in, or receive payments by reference to, profits or income arising to the fund from the acquisition, holding, management or disposal of investments.
- (3) In relation to a foreign mutual fund “share” means the right of a subscriber, or of another in his right, to participate in or receive payments by reference to profits or income so arising.

*Variation of original terms or conditions*

- 20 Where a bearer instrument issued by or on behalf of a non-UK company in respect of a loan expressed in sterling—
- (a) has been stamped *ad valorem*, or
  - [<sup>F3</sup>(b) has been stamped in accordance with paragraph 12A, or]
  - (c) has been stamped with the denoting stamp referred to in paragraph 21(2)(b) below,
- duty is not chargeable under this Schedule by reason only that the instrument is amended on its face pursuant to an agreement for the variation of any of its original terms or conditions.

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**Textual Amendments**

- F3** Sch. 15 para. 20(b) substituted (with effect in accordance with s. 99(2) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 32 para. 11\(4\)](#)

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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. 17 para. 6 - 8 Sch. 19 Pt. 1-III repealed (prosp.) by 1999 c. 16 s. 123(3)s. 123(4)139Sch. 20 Pt. 5(6) Note