



Finance Act 2006

2006 CHAPTER 25

PART 8

STAMP TAXES

Stamp duty land tax

166 Unit trust schemes

- (1) Part 4 of FA 2003 (stamp duty land tax) is amended as follows.
- (2) Omit section 64A (initial transfer of assets to trustees of unit trust scheme).
- (3) In section 101 (unit trust schemes)—
 - (a) in subsection (1) (application of Part (except for provisions mentioned in subsection (7)) to unit trust schemes) for “provisions” substitute “provision”, and
 - (b) in subsection (7) (provisions for the purposes of which unit trust schemes not to be treated as companies) omit from “section 53” to “companies), or”.
- (4) This section has effect in relation to any land transaction of which the effective date is, or is after, 22nd March 2006 (but see subsections (5) and (6)).
- (5) This section does not have effect in relation to—
 - (a) any land transaction which is effected in pursuance of a contract entered into and substantially performed before 2 p.m. on 22nd March 2006 (“the relevant time”), or
 - (b) any other land transaction which is effected in pursuance of a contract entered into before the relevant time and which is not an excluded transaction.
- (6) For this purpose, a land transaction effected in pursuance of a contract is an excluded transaction if—
 - (a) any provision of the contract has effect by reference to a unit trust scheme and the scheme is not established before the relevant time,

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2006, Section 166. (See end of Document for details)

- (b) at or after the relevant time the contract is varied in a way that significantly affects the land transaction (see subsection (7)),
 - (c) the subject-matter of the land transaction is not identified in the contract in a way that would have enabled its acquisition before the relevant time,
 - (d) rights under the contract are assigned at or after the relevant time,
 - (e) the land transaction is effected in consequence of the exercise, at or after the relevant time, of any option, right of pre-emption or similar right, or
 - (f) at or after the relevant time there is an assignment, subsale or other transaction (relating to the whole or part of the contract's subject-matter) as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance to him.
- (7) For the purposes of subsection (6)(b) the contract is varied in a way that significantly affects the land transaction if (and only if)—
- (a) it is varied so as to substitute a different purchaser in relation to the land transaction,
 - (b) it is varied so as to alter the subject-matter of the land transaction, or
 - (c) it is varied so as to alter the consideration for the land transaction.
- (8) Expressions which are used in Part 4 of FA 2003 and in this section have the same meaning in this section as in that Part.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2006, Section 166.