

1987 No. 516

TAXES

The Stamp Duty (Exempt Instruments) Regulations 1987

Made - - - - - *24th March 1987*

Laid before the House of Commons *26th March 1987*

Coming into force - - - *1st May 1987*

The Treasury, in exercise of the powers conferred on them by section 87(2) of the Finance Act 1985(a), hereby make the following Regulations:

1. These Regulations may be cited as the Stamp Duty (Exempt Instruments) Regulations 1987 and shall come into force on 1st May 1987.

2.—(1) An instrument which—

- (a) is executed on or after 1st May 1987,
- (b) is of a kind specified in the Schedule hereto for the purposes of this regulation, and
- (c) is certified by a certificate which fulfils the conditions of regulation 3 to be an instrument of that kind,

shall be exempt from duty under the provisions specified in paragraph (2) of this regulation.

(2) The provisions specified are—

- (a) the headings in Schedule 1 to the Stamp Act 1891(b)—
 - “Conveyance or transfer of any kind not hereinbefore described”; or
 - “Disposition in Scotland of any property or of any right or interest therein not described in this Schedule”;
- (b) sections 83(2) and 84(8) of the Finance Act 1985.

3. The certificate—

- (a) shall be in writing and—
 - (i) be included as part of the instrument, or
 - (ii) be endorsed upon or, where separate, be physically attached to the instrument concerned;
- (b) shall contain a sufficient description of—
 - (i) the instrument concerned where the certificate is separate but physically attached to the instrument, and
 - (ii) the category in the Schedule hereto into which the instrument falls;
- (c) (i) shall be signed by the transferor or grantor or by his solicitor or duly authorised agent, and
- (ii) where it is not signed by the transferor or grantor or by his solicitor, it shall contain a statement by the signatory of the capacity in which he signs, that he is authorised so to sign and that he gives the certificate from his own knowledge of the facts stated in it.

(a) 1985 c.54.

(b) 1891 c.39.

4. The Schedule to these Regulations shall have effect for the specification of instruments for the purposes of regulation 2.

5. An instrument which is certified in accordance with these Regulations shall not be required under section 82(5) or section 84(9) of the Finance Act 1985 to be stamped in accordance with section 12 of the Stamp Act 1891 with a particular stamp denoting that it is duly stamped or that it is not chargeable with any duty.

Mark Lennox-Boyd
Michael Neubert

24th March 1987

Two of the Lords Commissioners of Her Majesty's Treasury

SCHEDULE

Regulation 4

An instrument which effects any one or more of the following transactions only is an instrument specified for the purposes of regulation 2—

- A. The vesting of property subject to a trust in the trustees of the trust on the appointment of a new trustee, or in the continuing trustees on the retirement of a trustee.
- B. The conveyance or transfer of property the subject of a specific devise or legacy to the beneficiary named in the will (or his nominee).
- C. The conveyance or transfer of property which forms part of an intestate's estate to the person entitled on intestacy (or his nominee).
- D. The appropriation of property within section 84(4) of the Finance Act 1985 (death: appropriation in satisfaction of a general legacy of money) or section 84(5) or (7) of that Act (death: appropriation in satisfaction of any interest of surviving spouse and in Scotland also of any interest of issue).
- E. The conveyance or transfer of property which forms part of the residuary estate of a testator to a beneficiary (or his nominee) entitled solely by virtue of his entitlement under the will.
- F. The conveyance or transfer of property out of a settlement in or towards satisfaction of a beneficiary's interest, not being an interest acquired for money or money's worth, being a conveyance or transfer constituting a distribution of property in accordance with the provisions of the settlement.
- G. The conveyance or transfer of property on and in consideration only of marriage to a party to the marriage (or his nominee) or to trustees to be held on the terms of a settlement made in consideration only of the marriage.
- H. The conveyance or transfer of property within section 83(1) of the Finance Act 1985 (transfers in connection with divorce etc.).
- I. The conveyance or transfer by the liquidator of property which formed part of the assets of the company in liquidation to a shareholder of that company (or his nominee) in or towards satisfaction of the shareholder's rights on a winding-up.
- J. The grant in fee simple of an easement in or over land for no consideration in money or money's worth.
- K. The grant of a servitude for no consideration in money or money's worth.
- L. The conveyance or transfer of property operating as a voluntary disposition inter vivos for no consideration in money or money's worth nor any consideration referred to in section 57 of the Stamp Act 1891 (conveyance in consideration of a debt etc.).
- M. The conveyance or transfer of property by an instrument within section 84(1) of the Finance Act 1985 (death: varying disposition).

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 87(2) of the Finance Act 1985 provides that instruments which would otherwise be chargeable with stamp duty of a fixed amount under any provision specified in regulations shall not be so charged if they are of a kind specified in regulations and certified to be instruments of that kind.

These Regulations specify the provisions under which, subject to conditions, that duty shall not be charged; specify the instruments (executed on or after 1st May 1987) in relation to which the exemption is available; and provide for the certification requirements.

Regulation 1 provides the title and commencement date.

Regulation 2 provides the conditions for the exemption.

Regulation 3 provides for the requirements for the certificate and the conditions which have to be fulfilled.

Regulation 4 introduces the Schedule which specifies the instruments which may qualify for the exemption provided by regulation 2.

Regulation 5 dispenses with the requirement of adjudication in accordance with section 12 of the Stamp Act 1891 as required by sections 82(5) and 84(9) of the Finance Act 1985.