

Acquisitions : reliefs from Stamp Duty – shares acquired by non UK Companies.

Date announced 22nd July 2005.

1. From today HM Revenue & Customs will accept claims to relief from Stamp Duty under Sections 75, 76 and 77 Finance Act 1986 where shares are acquired by a company anywhere in EEA provided all other conditions for the relief are met.
2. Companies who paid stamp duty in the two years preceding this announcement solely because of the UK registered office requirement are invited to claim repayment.

Details

3. A company that acquires the whole or part of the undertaking of another company (the 'target company') may qualify for relief from Stamp Duty if it satisfies the conditions contained in sections 75 or 76 of the Finance Act 1986. A company that acquires the whole of the issued share capital of the target company, will also, subject to its fulfilling the conditions set out in section 77 of that Act, qualify for relief.
4. A number of conditions have to be met before relief is granted and the acquisition must take place for bona fide commercial reasons and not as part of a tax avoidance scheme.
5. One of the conditions for relief in all cases is that registered office of the acquiring company is in the United Kingdom. Following legal advice, the Government now accepts that this requirement is defective in law. HM Revenue and Customs will therefore, from the date of this announcement, and provided that all other conditions for the relief are satisfied, accept claims to relief where the registered office of the acquiring company is in any EEA State
6. Companies that have paid Stamp Duty on the basis that the reliefs in sections 75 to 77 FA 1986 only applied to acquiring companies with registered offices in the United Kingdom, are invited to make a claim to repayment if the stamped instrument was executed in the two year period immediately preceding the date of this announcement. The time limit for claims is the later of six months from the date of this announcement and two years from the date of execution of the instrument upon which Stamp Duty was paid.
7. Claims should be made in writing and enclose the original stamped instrument and sufficient evidence to demonstrate that all the conditions for relief, other than the UK registered office requirement, were fulfilled at the time the instrument was stamped. Claims should be sent to:
London Stamp Office,

Room G9,
South-West Wing,
Bush House,
London WC2B 4QN

Dated 22nd July 2005

Please note change of address

From 27 November 2006 claims should be sent to:

Birmingham Stamp Office

9th Floor
City Centre House
30 Union Street
Birmingham
B2 4AR
DX 15001 Birmingham 1