



HM Revenue  
& Customs

# Stamp Taxes on Shares: Consideration Rules

Summary of Responses  
11 July 2019

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# 1. Introduction

1. At Budget 2018 the government announced a consultation on possible changes to the Stamp Duty and Stamp Duty Reserve Tax (SDRT) consideration rules. Stamp Duty and SDRT are collectively known as Stamp Taxes on Shares (STS). The Office of Tax Simplification (OTS) had recommended aligning and simplifying the STS consideration rules.
2. There were three elements to the consultation:
  - The impacts of extending the market value rule, introduced in Finance Bill 2018-19, to unlisted securities and connected party transfers other than to companies.
  - The impacts of aligning the Stamp Duty and SDRT definitions of “consideration” by adopting the SDRT “money or money’s worth” definition.
  - The impacts of aligning the Stamp Duty and SDRT treatment of contingent, uncertain and unascertainable payments, and the most practical way of doing so.
3. HMRC held the consultation from 7 November 2018 to 30 January 2019, which included meetings with stakeholders. This document summarises the responses to the consultation and sets out the government’s response and next steps.
4. The consultation received twenty-four written responses along with comments made during the meetings. Respondents included law firms, tax consultancy firms, Financial Market representative bodies and other professional organisations. The businesses and organisations that submitted written responses and sent representatives to attend a meeting are listed in Annex A. The consultation received two written responses from individuals.
5. Common themes were raised by respondents in writing and in the meetings.

In respect of the impacts of extending the market value rule to unlisted securities and connected party transfers other than to companies, common themes were as follows:

- The proposed extensions of the market value rule to unlisted securities and connected party transfers other than to companies is too wide and could have unintended impacts. Respondents considered that a measure targeted at avoidance which HMRC had seen would be more appropriate.
- The proposed changes could increase costs and administrative burdens for affected businesses and non-businesses. Particular concerns were raised about the cost and difficulty of obtaining valuations for unlisted securities.
- Small and micro-businesses (including family businesses) could be particularly impacted by the proposed changes.
- Respondents could see no justification for the market value rule being extended to transfers to connected parties other than companies. In

particular it was considered that transfers to individuals and family members should not be caught.

In respect of the impacts of aligning the Stamp Duty and SDRT definitions of “consideration” and treatment of contingent, uncertain and unascertainable payments, common themes were as follows:

- Proposed changes to the consideration rules in isolation are likely to add complexity, uncertainty and increased costs particularly on insurance, pension, and fund industries creating a risk for the UK economy and making the UK less attractive for investment.
  - Adopting an SDRT approach to Stamp Duty in respect of contingent, uncertain and unascertainable consideration will create significant burdens and increase costs on all businesses and individuals in providing valuations.
  - The majority of respondents see no real need to adopt the current Stamp Duty contingent consideration case law to SDRT as the amount of the consideration is invariably known at the time the paperless transaction is settled.
  - While several respondents see merit in adopting the Stamp Duty Land Tax approach to Stamp Duty in respect of contingent consideration, as it will remove the perceived unfairness of the ‘contingency principle’ case law, this will increase administrative burdens, uncertainty and costs on individuals and businesses in resubmitting instruments with payments of Stamp Duty for completion of stamping formalities when the final consideration is known.
6. Having carefully considered the consultation responses, the government has published draft legislation which tackles contrived arrangements which minimise tax on company reorganisations involving the transfer of unlisted securities. The draft legislation is narrowly targeted and does not extend to connected party transfers other than to companies.
  7. Part 2 of this document provides a summary of the responses, along with the government response to each question. Part 3 outlines the next steps.
  8. The government is grateful to all stakeholders who responded in writing or attended meetings in the course of the consultation.

## 2. Responses:

### Extending the Market Value Rule

#### Q1: What would be the impact of extending the market value rule to all securities whether listed or unlisted?

9. Eighteen of the twenty-four respondents answered this question. Some respondents wanted to understand better the policy rationale and the kinds of avoidance which the proposals were intended to target. They felt that this would enable advisors and taxpayers to better identify whether there would be transactions which might inadvertently be caught.
10. Some respondents thought the proposals too wide and that a more targeted measure would be more appropriate. A few respondents suggested that, rather than widely-drawn legislation, it would be preferable to introduce a Targeted Anti-Avoidance Rule (TAAR) into the STS legislation or to extend the General Anti-Abuse Rule (GAAR) or Disclosure of Tax Avoidance Schemes (DOTAS) provisions to STS.
11. All of the respondents who answered this question raised concerns regarding the additional costs and difficulty of obtaining a valuation for unlisted shares and some of these respondents thought that the cost would be disproportionate to the tax raised.
12. A number of respondents thought that, in cases where no relief was available, taxpayers would seek HMRC adjudication in order to ensure that the correct amount of tax had been paid, increasing administrative burdens for companies and HMRC.
13. It was also thought that forcing corporate taxpayers to claim relief for transfers where no or nominal consideration was provided would, according to some respondents, increase the administrative burdens and transaction times for companies and increase the costs of HMRC administering the claims, without commensurate tax yield. One respondent mentioned that they were aware of an increase in the use of declarations of trust as a result of delays in returning stock transfer forms including where group relief is claimed. They regarded this as a convoluted and complex process but thought that it would increase if the proposal was implemented.
14. Some respondents thought the proposed change would highlight the difficulties encountered in qualifying for the current Stamp Duty group relief exemption. The introduction of a broad market value rule would, in the absence of amendments to the group relief rules, have a disproportionate impact on transactions currently precluded from benefitting from group relief. Some of the respondents thought that if a wide market value rule was introduced further reliefs for intra-group transfers and reorganisations would be required
15. A few respondents considered that the proposed change would act as a deterrent against using UK companies and instead encourage taxpayers to use non-UK companies as preferred vehicles of incorporation. A few respondents

considered that the proposal might discourage Initial Public Offerings (IPOs) where partnerships and individuals take the flotation vehicle from a holding company by way of a distribution. This would make the UK less attractive to those seeking to establish new public companies on an IPO and would not accord with the existing growth market exemption, as the shares in many new public companies are only admitted to trading on a growth market after a successful IPO.

## **The government response**

16. The government has carefully considered the concerns raised by respondents in respect of introducing a broad market value rule for unlisted shares. The draft legislation is therefore narrowly targeted so as to only impact on companies that enter into contrived arrangements to minimise tax on company reorganisations. The government has provided reliefs for certain transfers. Any transfers not relieved should be subject to tax.
17. The draft legislation amends existing legislation to remove the possibility of two charges arising for most capital reduction partition demergers. These are understood to be the type of reorganisation most impacted by the measure (see paragraph 30 of this document). The net effect of the measure will be that only one charge to Stamp Duty arises on most capital reduction partition demergers which will create fairness and certainty for taxpayers.
18. The measure will not capture capital contributions or distributions including distributions in specie of unlisted shares. It is not expected to materially increase the need for group relief claims or to impact on fund transactions or IPOs and the government does not consider it likely that the measure will act as a deterrent against using UK companies in a significant number of cases.
19. The government does not consider that the measure will increase the need for shares to be valued in respect of partition demergers just for tax purposes as they need to be valued for these arrangement anyway. Given the separation of the business in any situation, be it arm's length or connected the parties would want to know the value of what is being transferred. It would be expected that some form of commercial valuation would take place. There may, however, be additional costs and increased transaction times as a result of having to present documents for stamping and adjudication where previously this was not required as charges were being circumvented. Circumvention of the rules currently incurs professional fees and transaction costs, however. Not acting would create uncertainty and be unfair on businesses which do follow the rules.

## **Q2: What would be the impact on mergers & acquisitions?**

20. Fifteen of the twenty-four respondents answered this question. A number of respondents thought that there would be an impact on merger and acquisitions as it was common for a group to undergo a restructuring prior to such activity. As with Question 1, respondents raised concerns that the proposals would complicate the implementation of many reorganisations and reconstructions, particularly referring to difficulties with qualifying for group relief and increased administrative burdens and costs associated with claiming the relief.

21. A few responses referred to the 2016 introduction of section 77A FA 1986 as causing extra complexities where a target corporate group wishes to restructure before sale. Since the introduction of section 77A FA 1985, section 77 relief is no longer available where a portfolio of existing UK target companies underneath a new single UK target company is aligned in advance of the sale of that single target company to an identified purchaser using a share for share exchange. One respondent referred to this as a “double-charge” as the purchaser will pay Stamp Duty on its acquisition of the new UK target.
22. A number of respondents said that it was unclear how the proposed rules would apply to some foreign reorganisations, which are not possible under UK law but where the underlying assets include UK securities, for example, mergers or amalgamations by operation of foreign law. Some respondents were of the view that this would not be a problem if HMRC continue to accept that a transfer by universal succession of title by operation of foreign law is not subject to STS but others thought that further clarification would be needed on this point.
23. A few respondents said it was unclear what the impacts on mergers and acquisitions would be or that they would not expect the impacts to be significant.

### **The government response**

24. The government has carefully considered the concerns raised by respondents in respect of the impact on mergers and acquisitions. The draft legislation is narrowly targeted so that it will only impact on companies that enter into contrived arrangements to minimise tax on company reorganisations.
25. The measure will not capture capital contributions or distributions including distributions in specie of unlisted shares and is not expected to materially increase the need for group relief claims. Nor will it impact on mergers by operation of law.
26. If a taxpayer structures a takeover to include a share for share exchange where the acquiring Newco is a UK company, there will be two charges. One on the share for share exchange, where relief will rightly be unavailable and a second on the transfer of the Newco shares. There is therefore a charge on the reorganisation and another charge on any subsequent sale. This is no different to the position in respect of demergers (see the government response to question 1). It is not thought that taxpayers generally structure takeovers in such a way as to incur two Stamp Duty charges and the government does not see a need to provide relief for such circumstances.

### **Q3: Would there be particular impact on small or micro-businesses? What would be the impact on re-organisations of small family businesses? Please provide details of any one of more on-going costs.**

27. Twelve of the twenty-four respondents responded to this questions. Most of these respondents thought that the proposals would have particular impact on smaller businesses.

28. A number of respondents said that re-organisations of small and family businesses occur for a variety of reasons, including family succession and in preparation for a sale and that there is generally relief from other taxes such as Capital Gains Tax and Corporation Tax which ensure that the transactions are tax neutral. Some respondents thought that the overall effect of the added tax charge and additional transaction costs would be to eliminate some transactions altogether and therefore make businesses less efficient. If transactions go ahead, the additional “unproductive” costs could have been channelled towards investment in the business.
29. There are reliefs from the Stamp Duty charges that would otherwise arise on a share exchange (section 77 FA 1986 relief) or reconstruction (section 75 FA 1986 relief), provided that the conditions for these reliefs can be met. A number of respondents mentioned that where the conditions cannot be met, and charges would otherwise arise, well known tax planning techniques are often used to mitigate these charges. They considered that the use of these techniques has increased since the introduction of FA 1986 section 77A which has narrowed the circumstances in which relief under section 77 FA 1986 can be obtained.
30. Some of the respondents said that capital reduction partition demergers were a common means of splitting a family business. They considered that these would be particularly impacted as they commonly involved both a share for share exchange and reconstruction but neither section 77 nor section 75 relief are currently available.
31. A number of respondents also mentioned that reorganisations of small family businesses regularly involve distributions of UK shares to a corporate shareholder. Forcing corporate shareholders to claim group relief would be time-consuming and costly, both for the taxpayer and HMRC, for no additional yield.

### **The government response**

32. The government has carefully considered the concerns raised by respondents in respect of the impact on small or micro-businesses. The draft legislation is narrowly targeted so that it will only impact on small or micro businesses companies that enter into contrived arrangements to minimise tax on company reorganisations.
33. Although no immediate CGT charge arises on the type of reorganisation the measure is targeting, CGT will be payable on any ultimate disposal of the shares. However, Stamp Duty is a charge on instruments which transfer beneficial ownership in shares with only very limited reliefs. These contrived arrangements seek to avoid a charge where there is substantive change in ownership.
34. It is anticipated that small and micro businesses will incur modest additional costs and increased transaction times as a result of having to present documents for stamping and adjudication where previously this was not required as charges were being circumvented. Circumvention of the rules currently incurs professional fees and transaction costs, however. Not acting would create uncertainty and be unfair on businesses which do follow the rules.



35. The government is aware that two charges can arise on a capital reduction partition demerger as currently neither section 77 or section 75 relief is available. The draft legislation removes the possibility of two Stamp Duty charges arising for most capital reduction demergers. The net effect of the measure will be that only one charge to Stamp Duty arises on most capital reduction partition demergers which will create fairness and certainty for taxpayers.

**Q4: What would be the impact of extending the market value rule to transfers to connected persons? In particular what would be the impact on individuals? Please provide details of any one-off or on-going costs.**

36. Sixteen of the twenty-four respondents answered this question. A number of respondents questioned whether there was any current avoidance that would justify this proposal. Most respondents said that they did not think that there was any policy justification to extend the market value rule to connected persons other than companies and that such an extension would create undue burden and costs particularly in respect of the need to obtain valuations of shares and an increased need for group relief application.

37. A number of respondents referred to the creation of a new Stamp Duty charge in cases where group relief was not available (in particular in relation to international structuring through group entities).

38. Many of the respondents thought that a large number of exclusions would be required, in particular in relation to individuals and spousal/civil partner and family gifts. In their view, the application of the proposal would be so limited as to be disproportionate to its introduction.

39. A number of respondents mentioned that transfers of shares between spouses and civil partners can currently take place without any charge to Inheritance Tax or CGT. This has supported a policy that allows spouses/civil partners to arrange their affairs to allow them to fully utilise the allowances available to them. It was also mentioned that it is not always easy to identify whether a person is "connected" or not.

40. One respondent highlighted that government policy is to support the family referring to Article 8 of Schedule 1 Human Rights Act.

41. One respondent thought that the proposal would bring into charge genuine commercial transactions between sub-funds of the same UK corporate umbrella fund or between UK/off shore corporate funds. Also, that other transactions would be caught, where the investor in a fund is a corporate and the investor is 'connected' with the fund. In their view this could result in increased transaction costs and reduced returns for fund investors including savers and pensioners. This could impact the competitiveness of the UK and make it an unattractive place to conduct business.

## The government response

42. The government notes the concerns raised regarding the impacts of extending of the market value rule to connected party transfers other than companies. Therefore, the draft legislation only applies to transfers to connected companies.

**Q5: If the market value rule was extended to transfers to connected persons, what transactions do you consider should be carved out? What would be the impacts if these transaction were caught by the measure?**

43. Fifteen of the twenty-four respondents answered this question. Most respondents agreed that the transactions referred to in 3.8 and 3.9 of the consultation document should be carved-out if the proposal was introduced. However it was pointed out that these references could not be relied on as being exhaustive and that an approach targeted to actual avoidance seen by HMRC would be preferable. A number of respondents thought that transactions should only be caught if there was an avoidance motive.
44. Many of the respondents specifically mentioned that transfers to individuals, and in particular spouses/civil partners and family members, should be excluded. Other carve outs mentioned included distributions in specie, transfers in connection with demergers, group reorganisations and corporate reconstructions and transfers occurring as a result of operation of law. A few respondents considered that if the proposal were introduced there should be a carve-out for transactions involving Employee Benefit trusts (EBTs) and charities.

## The government response

45. The government notes the concerns raised regarding the impacts of extending of the market value rule to connected party transfers other than companies. The draft legislation only applies to transfers to connected companies.

## Responses:

### Aligning the Definitions of Consideration for Stamp Duty and SDRT

- Q6: What would be the impacts of adopting 'money or money's worth' for Stamp Duty as well as SDRT? Do you have a view as to the extent that payments other than cash, stock or marketable securities, and debt are currently used to purchase securities?**
- Q7: Would there be any particular impact on individuals, small businesses or micro-businesses from adopting 'money or money's worth' for Stamp Duty as well as SDRT? Please provide details of any expected costs.**
46. Fifteen of the twenty-four respondents made comments on the impacts of adopting 'money or money's worth' for Stamp Duty as well as SDRT.
47. While several respondents welcomed the idea of modernising and aligning Stamp Duty, the majority were concerned that if the government's aim is to reform, digitise and simplify Stamp Duty generally, the proposal to change the consideration rules (and contingent consideration) in isolation was likely to add complexity, uncertainty and costs to businesses and individuals and therefore should be part of a wider reform package.
48. These respondents considered the proposed adoption of 'money or money's worth' to Stamp Duty would significantly impact the Financial Services Sector and Asset Management Industry. This would specifically include individuals who frequently contribute and transfer UK securities in return for the issuance of rights under an insurance policy; life insurers themselves accessing UK equities managed by third party investment managers under the terms of a reinsurance contract; and frequent distributions or contributions of UK securities out of, or into, overseas contractual fund vehicles and switches of UK securities between such funds.
49. Moreover, these respondents said a likely consequential impact on business strategy and product development of asset managers is that they will move away from launching or operating fund vehicles that hold UK securities. This will have a knock-on effect on investors wishing to contribute UK securities to life offices and contractual funds which will create risks for the UK economy and appear to run counter to other measures which the UK is introducing to improve the attractiveness of the UK. In their view, the proposal will not simplify Stamp Duty but add more uncertainty due to the subjectivity involved in interpretation of money or money's worth.
50. One respondent commented that adopting 'money or money's worth' to Stamp Duty will potentially discourage businesses from establishing UK registered companies where they may have the choice to register overseas.

51. A further respondent stated that aligning Stamp Duty and SDRT should be achieved by way of a full amalgamation of the taxes that builds on the recommendations of The Office of Tax Simplification 2017 report rather than adopting a proposed piecemeal approach. In their view, aligning the consideration and contingent consideration rules in isolation would not simplify the tax regime but add complexity and additional costs particularly for small and micro businesses, as valuation of money's worth would be disproportionately larger given transaction sizes that are typically undertaken.
52. Another respondent had a contrary view that if the aim is to align the definition to simplify the tax regime on shares, then it would seem more appropriate to adopt the current Stamp Duty consideration rules to SDRT. Expanding the money or money's worth rule to Stamp Duty would add complexity and confusion and run counter to making Stamp Duty simpler.

### **The government response**

53. The government has carefully considered the concerns and impacts the proposal, in absence of other reforms to Stamp Duty rules, may have on in particular, insurance, pension and fund industries and acknowledges that this proposal will require further consideration as part of any wider reform and modernisation of Stamp Duty. No changes to legislation are proposed at this time.

### **Q8: Do you consider there are specific exemptions which should be provided to protect the position of transactions where the SDRT charge is currently franked? If so, what are these transactions, how often do they arise and what would be the impacts of not protecting the position of these transactions?**

54. All respondents were strongly of the view that all types of transactions that rely on the current Stamp Duty statutory definition of 'consideration', including those shown at 4.8 of the consultation document, should continue to be exempt from a Stamp Duty charge.
55. Moreover, respondents considered that unless the current exemptions are preserved, the proposal to adopt 'money or money's worth consideration rule to Stamp Duty will significantly affect, in particular, contractual funds, life assurance offices and wealth management industries for the reasons provided to questions 6 & 7 of the consultation.

### **The government response**

56. Taking note of the responses, the government accepts this will need to be explored and considered further as part of any wider reform and modernisation of Stamp Duty. No changes to legislation are proposed at this time.

## Responses:

### Aligning the Rules on Contingent, Uncertain and Unascertained Consideration

**Q9: What are your views on adopting the SDRT approach to contingent, uncertain and unascertainable consideration for Stamp duty? Would the need to determine the value of the "money's worth" part of the consideration as at the date of the transaction create significant burdens?**

**Q10: Would adopting the SDRT approach to contingent, uncertain and unascertainable consideration have particular impacts on smaller businesses and individuals? If so, what would these be?**

57. Thirteen of the twenty-four respondents answered these questions. The majority considered that adopting the SDRT approach would create significant burdens and increase costs on all businesses and individuals in arranging and undertaking a money's worth valuation of the contingent consideration element at the time of the instrument. Such valuations may be complex and subjective which may lead to delays and potential challenges in the stamping of instruments.
58. One respondent added that applying the SDRT approach will mean that Stamp Duty would be due in instances where currently no Stamp Duty applies on any part of consideration which is wholly unascertainable i.e. no minimum or maximum consideration amount is stated, at the time of the instrument.
59. While expressing similar concerns in respect of higher costs in undertaking valuations, two respondents were supportive of adopting the SDRT approach as it may save purchasers some Stamp Duty given that the use of a cap on contingent consideration could be used without fear of incurring a Stamp Duty charge far in excess of the likely value of the consideration.
60. Moreover, these two respondents said the SDRT approach would also have the benefit of finalising the Stamp Duty to be paid at the time of stamping thereby providing certainty and assurance that an instrument can be relied on as fully stamped, without any necessity to later re-submit the instrument to HMRC.

#### The government response

61. The government notes the concerns raised on adopting the SDRT approach and agrees that this proposal would require further consideration as part of any wider reform and modernisation of Stamp Duty. No changes to legislation are proposed at this time.

**Q11: What would be the benefits and impacts of adopting the current Stamp Duty treatment of contingent, uncertain and unascertainable consideration for SDRT? Would there be any particular impact on smaller businesses and individuals?**

62. All eight respondents to this question considered there would be limited benefits and negligible impact on businesses and individuals. This is because in the

majority of SDRT transactions involving shares in UK public listed companies which are settled electronically within CREST (the UK share settlement system), the amount of the consideration is known at the time of the agreement to transfer.

63. To the extent that it does have an impact, respondents were of the view this may largely affect smaller businesses and individuals where there may be a contingent part of the consideration when trading private company shares. In this situation, respondents considered adopting a Stamp Duty approach to SDRT would have a negative impact as it would interfere with well-functioning SDRT compliance systems and controls, and likely lead to inadvertent compliance breaches.
64. One respondent considered the current Stamp Duty 'contingency principle' established under UK case law is archaic and can lead to inequitable treatment, unlike the Stamp Duty Land Tax (SDLT) rules on contingent consideration which, in broad terms, results in the right amount of tax being paid, albeit after a delay.
65. Another respondent commented that while the current Stamp Duty 'contingency principle' provides certainty to businesses and individuals that an instrument can be relied on and regarded as fully stamped, it is also unfair that the Stamp Duty rules do not allow, once an instrument is stamped on this basis, for an application to be later made seeking a refund of Stamp Duty where the amount of duty paid exceeds the known final amount of consideration.

### **The government response**

66. The government notes the concerns raised on adopting the current Stamp Duty treatment to SDRT and agrees that this proposal would require further consideration as part of any wider reform and modernisation of Stamp Duty. No changes to legislation are proposed at this time.

### **Q12: What would be the benefits and impacts of adopting the Stamp Duty Land Tax (SDLT) approach to contingent, uncertain and unascertainable consideration?**

67. Thirteen respondents answered this question. The majority considered that the SDLT statutory approach of providing a reasonable estimate of any contingent or uncertain consideration should be adopted for Stamp Duty purposes. Providing a reasonable estimate would remove the perceived unfairness of the current 'Contingency Principle' case law in charging Stamp Duty by reference to a stated minimum or maximum contingent consideration amount where the amount of Stamp Duty may bear little relationship to the actual final consideration.
68. Moreover, the opportunity in the SDLT rules to defer payment of the tax where the contingent or uncertain consideration falls to be paid more than six months after completion would remove, if adopted into Stamp Duty, the need to provide an estimate of the value of the contingent or uncertain consideration which could be costly and burdensome to small businesses and individuals. While supporting a SDLT approach, several respondents acknowledged this could involve an additional administrative burden in terms of resubmitting an instrument and payment of Stamp Duty once the contingent consideration is determined (as

opposed to the current Stamp Duty practice which enables an instrument to be stamped once only).

69. Other respondents were also concerned that if the current SDLT process and deferral approach was adopted for Stamp Duty, this would still require a purchaser to monitor the position into the future involving a more complex compliance mechanism and increase taxpayer costs in resubmitting an instrument along with any relevant additional Stamp Duty payment once the final contingent consideration is determined.
70. Several respondents were concerned that if the SDLT approach were adopted, thought needs to be given as to how this can be adapted to Stamp Duty to provide certainty when a paper instrument can be relied on as fully stamped for Stamp Duty purposes and this cancels an otherwise SDRT charge. For example, where consideration is ascertainable but yet to be ascertained at the time of the instrument, the period between HMRC provisionally stamping an instrument at the request of a taxpayer and finalising the stamping when the consideration is known, is generally relatively short (months not years). However, future contingent or uncertain consideration amounts such as earn-outs can span many years until the final consideration is known or the period lapses.

### **The government response**

71. Taking note of the responses and the concerns regarding uncertainty and practicalities in adopting the SDLT approach to Stamp Duty, the government agrees that this proposal would require further consideration as part of any wider reform and modernisation of Stamp Duty. No changes to legislation are proposed at this time.

## 3. Next steps

### Extending the Market value rule

72. The government has published an Explanatory Note and draft legislation as a technical consultation for legislation in Finance Bill 2019/20.

### Aligning the Stamp Duty and SDRT definitions of “consideration” and treatment of contingent, uncertain and unascertainable payments.

73. The government notes the concerns raised in respect of aligning the consideration and contingent consideration rules. The government agrees that these proposals would require further consideration as part of any wider reform and modernisation of Stamp Duty. No changes to legislation are proposed at this time.



## Annex: List of respondents

We are grateful to all those who took time to send written responses to the consultation each of which has been carefully considered and to those who attended one of the consultation meetings. We are also grateful to those who took time to participate in a consultation meeting.

The businesses and organisations that submitted written responses or took part in a consultation meeting are as follows:

Association of British Insurers

British Private Equity & Venture Capital Association

Burgess Salmon LLP

Charles Russell Speechlys LLP

Chartered Institute of Taxation

Cleary Gottlieb Steen & Hamilton LLP

Cooley (UK) LLP

Deloitte LLP

Ernst & Young LLP

Federation of Small Businesses

FTI Consulting

Grant Thornton UK LLP

Hogan Lovells International LLP

HSBC

Investment & Life Assurance Group

Institute of Chartered Accountants England & Wales

British Banking Association

KPMG LLP

Legal & General

Lloyds London

Macfarlanes LLP

M&G/Prudential

PricewaterhouseCoopers LLP

Standard Life and Phoenix

Royal London

Sidley Austin LLP

Stamp Taxes Practitioners Group

Tax Law Review Committee

The Investment Association

The Law Society

The Miller Partnership

Travers Smith LLP

UBS

Vinson & Elkins LLP

Two individuals also responded to the consultation.