

1 SDRT: transfers to depositaries or providers of clearance services

- (1) Part 4 of FA 1986 (stamp duty reserve tax) is amended as follows.
- (2) In section 93 (depository receipts) –
 - (a) in subsection (4)(b), for the words from “worth,” to the end substitute “worth –
 - (i) the amount or value of the consideration, or
 - (ii) where subsection (4A) applies, the amount or value of the consideration or, if higher, the value of the securities;”, and
 - (b) after subsection (4) insert –

“(4A) This subsection applies where the transfer of the securities is pursuant to –

 - (a) the exercise of an option to buy or to sell the securities, and
 - (b) either –
 - (i) a term of the option which provides for the securities to be transferred to the person falling within subsection (2) or (3), or
 - (ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”
- (3) In section 94 (depository receipts: supplementary), in subsection (4), for “section 93(4)(c)” substitute “section 93(4)(b)(ii) and (c)”.
- (4) In section 96 (clearance services) –
 - (a) in subsection (2)(b), for the words from “worth,” to the end substitute “worth –
 - (i) the amount or value of the consideration, or
 - (ii) where subsection (2A) applies, the amount or value of the consideration or, if higher, the value of the securities;”,
 - (b) after subsection (2) insert –

“(2A) This subsection applies where the transfer of the securities is pursuant to –

 - (a) the exercise of an option to buy or to sell the securities, and
 - (b) either –
 - (i) a term of the option which provides for the securities to be transferred to A or (as the case may be) to the person whose business is or

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- includes holding chargeable securities as nominee for A, or
- (ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”, and
 - (c) in subsection (10), for “subsection (2)(c)” substitute “subsection (2)(b)(ii) and (c)”.
- (5) The amendments made by this section have effect in relation to a transfer pursuant to the exercise of an option where—
- (a) the option was granted on or after 25 November 2015, and
 - (b) the option was exercised on or after 23 March 2016.