Finance Act (Northern Ireland) 1963

1963 CHAPTER 22

An Act to amend the law relating to estate duty, stamp duties and certain excise duties and excise licences; and to make further provision in connection with finance. [9th July 1963]

Part I (ss.1#3)—Estate Duty

PART II

STAMP DUTIES

REDUCTION OF DUTIES

4 [F1]Reduced duty on conveyance or transfer on sale.

(1) Subject to sub-sections[F2] (1A) to]F2 (3) and to the following provisions of this Part the stamp duty chargeable under the heading "Conveyance or Transfer on sale" in Schedule 1 to the Stamp Act 1891 M1 shall be charged by reference to the amount or value of the consideration for the sale at the following rates, that is to say—

[F3(a) where the amount or value of the consideration is[F4 £60,000]F4 or under and the instrument is certified, as described in[F5 section 7(4) of the Finance Act (Northern Ireland) 1958]F5, at[F4 £60,000]F4, nil;

[F5(b) where paragraph (a) above does not apply and—

(i) the amount or value of the consideration does not exceed £500, and

(ii) the instrument is certified as described in[F5 section 7(4) of the Finance Act (Northern Ireland) 1958]F5 at £250,000,

the rate of 50p for every £50 or part of £50 of the consideration;

(c) where paragraph (a) above does not apply and—

(i) the amount or value of the consideration exceeds £500 but does not exceed £250,000, and

(ii) the instrument is certified as described in[F5 section 7(4) of the Finance Act (Northern Ireland) 1958]F5 at £250,000,

the rate of £1 for every £100 or part of £100 of the consideration.

(d) where paragraphs (a) to (c) above do not apply and—

(i) the amount or value of the consideration does not exceed £500,000, and

(ii) the instrument is certified as described in[F5 section 7(4) of the Finance Act (Northern Ireland) 1958]F5 at £500,000,

the rate of[F6 £2.50]F6 for every £100 or part of £100 of the consideration; and

(e) in any other case the rate of[F6 £3.50]F6 for every £100 or part of £100 of the consideration;]]

F5F3 and any duty chargeable by reference to that heading shall be charged accordingly.

[F2F7(1A) In relation to duty chargeable under or by reference to the heading mentioned in subsection (1) above as it applies to a conveyance or transfer of stock or marketable securities, that subsection shall have effect as if for the words from "following rates" to the end of[F5 paragraph (e)]F5 there were substituted the words " rate of 50p for every £100 or part of £100 of the consideration ".]

F2(2) In relation to duty chargeable[F2 by reference to the heading mentioned in subsection (1) above]F2 by virtue of the heading "Lease or Tack" in Schedule 1 to the Stamp Act 1891 in a case where part of the consideration consists of rent and that rent exceeds[F4 £600]F4 a year, sub-section (1) shall have effect[F3 as if]

[F5F3(a F5)] [F3paragraph (a) and, in paragraphs (b) and (c), the words "paragraph (a) above does not apply and" were omittedF3][F5 and]

[F5F5(b) in paragraph (d) for the words "pargraphs (a) to (c)" there were substituted the words " paragraphs (b) and (c) ".]

F5(3) Nothing in this section shall affect any enactment imposing an upper limit on the amount of duty chargeable ad valorem.

(4) If as respects any instrument this section operates to provide that stamp duty chargeable under the heading "Conveyance or Transfer on sale" in Schedule 1 to the Stamp Act 1891 shall be charged at a nil rate, that instrument shall not be chargeable with stamp duty under the headings "Deed of any kind whatsoever, not described in this schedule" …F8 in the said Schedule 1.

F1 Rep. with saving, 1999 c. 16
F2 1986 c. 41
F3 1984 c. 43
F4 1993 c. 34
F5 1997 c. 58
F6 1999 c. 16
F7 Rep. prosp. by 1990 c. 29
F8 1970 c.21 (NI)

Marginal Citations
M1 1891 c. 39

5 F9Reduced duty on leases.

Subs.(1) rep. by 1972 NI 11; 1974 c.30; subs.(2) rep. by 1974 c.30

***Changes to legislation:** There are currently no known outstanding effects for the Finance Act (Northern Ireland) 1963. (See end of Document for details)*

(3) For the purposes of the said heading[F10] a lease granted for a fixed term and thereafter until determined shall be treated as a lease for a definite term equal to the fixed term together with such further period as must elapse before the earliest date at which the lease can be determined; and section 75 of the said Act of 1891 (agreements for leases) shall be construed accordingly.

Subs.(4) repeals ss.76, 77(3), 78 of 1891 c.39

F9 Rep. with saving, 1999 c. 16
F10 1891 (c.39)

6 [F11]Miscellaneous reductions.

(1) The rates of stamp duty chargeable under or by reference to the following headings, or parts of headings, in Schedule 1 to the Stamp Act 1891, that is to say—

Bond, Covenant or Instrument of any kind whatsoever;

. . .

[F12]Mortgage, Bond, Debenture, Covenant, and Warrant of Attorney;

. . .

[F13]. . .

[F12]shall be those at which the duty would be chargeable if section 6 of the Finance Act (Northern Ireland) 1947 (which doubled the rates) had not been enacted.

Subs.(2) rep. by 1970 c.21 (NI)

F11 Rep. with saving, 1999 c. 16
F12 1973 NI 18
F13 1970 c.21 (NI); 1974 c.30

[F14]S. 7 rep. by 1973 NI 18

F14 Rep. with saving, 1999 c. 16

BEARER INSTRUMENTS

8 [F15]Stamp duty on bearer instruments.

[F16]Subs.(1) amends sch.1 to 1891 c.39 and repeals ss.4, 5(1), 6 of 1899 c.9

[F16](2) For the purposes of the heading[F17] set out in sub-section (1)—

(a) "inland bearer instrument" means any of the following instruments issued by or on behalf of any company or body of persons corporate or unincorporate formed or established in the United Kingdom, that is to say—

(i) any marketable security transferable by delivery;

(ii) any share warrant or stock certificate to bearer and any instrument to bearer (by whatever name called) having the like effect as such a warrant or certificate;

(iii) any deposit certificate to bearer;

(iv) any other instrument to bearer by means of which any stock can be transferred;

(b) "overseas bearer instrument" means an instrument issued otherwise than by or on behalf of any such company or body of persons as is mentioned in paragraph (*a*), being an instrument described in sub-paragraphs (i) to (iv) of that paragraph or a bearer instrument by usage;

(c) "deposit certificate" means an instrument acknowledging the deposit of stock and entitling the bearer to rights (whether expressed as units or otherwise) in or in relation to the stock deposited or equivalent stock; and "deposit certificate for overseas stock" means a deposit certificate in respect of stock of any one company or body of persons not being such a company or body as is mentioned in paragraph (*a*);

(d) "bearer instrument by usage" means an instrument not described in the said sub-paragraphs (i) to (iv) which is used for the purpose of transferring the right to any stock, being an instrument delivery of which is treated by usage as sufficient for the purpose of a sale on the market, whether that delivery constitutes a legal transfer or not;

. . . [F18].

[F16](3) For the purposes of the said heading "the transfer duty" means the duty which would be chargeable under the heading "Conveyance or Transfer on sale" in the said Schedule 1 in respect of an instrument in writing transferring the stock constituted by, or transferable by means of, the inland or overseas bearer instrument in question for a consideration equal to the market value of that stock[F19]; and the instrument so postulated shall be taken to transfer the stock on the day of issue or transfer (depending on whether paragraph (a) or (b) of section 9(1) applies) and to be executed in pursuance of a contract made on that day.][F19].

[F16](4) For the purposes of this section and sections 9 and 10, "stock" includes securities, and references to stock include references to any interest in, or in any fraction of, stock or in any dividends or other rights arising out of stock; "transfer" includes negotiation; and a bearer instrument by usage used for the purpose of transferring the right to any stock shall be treated as transferring that stock on delivery of the instrument, and as issued by the person by whom or on whose behalf it was first issued, whether or not it was then capable of being used for transferring the right to the stock without execution by the holder.

Subs.(5) repeals s.4 of 1944 c.22 (NI)

F15 Rep. with saving, 1999 c. 16
F16 Rep. prosp. by 1990 c. 29
F17 1891 (c.39)
F18 1973 NI 18
F19 1986 c. 41

9 [F20F21]Payment of duty

(1) Duty under the heading set out in section 8(1) shall be chargeable—

(a) in the case of an instrument issued in Northern Ireland, or issued outside Northern Ireland by or on behalf of any company or body of persons corporate or unincorporate formed or established in Northern Ireland, on issue;

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(b) in the case of any other instrument, on transfer in Northern Ireland of the stock constituted by or transferable by means of the instrument:

Provided that the duty chargeable by virtue of paragraph (*b*) on the transfer of stock shall be chargeable only where duty would be chargeable under or by reference to the heading "Conveyance or Transfer on sale" in Schedule 1 to the Stamp Act 1891 , if the transfer were effected by an instrument not being a bearer instrument.

(2) Any instrument which is chargeable under the said heading on issue shall, before being issued, be produced to the Ministry of Finance[F22] (in this Part referred to as "the Ministry"), together with such particulars in writing of the instrument as the Ministry may require, and shall be deemed to be duly stamped if, and only if, it is stamped with a particular stamp denoting that it has been produced to the Ministry; and within six weeks of the date on which any such instrument is issued, or such longer time as the Ministry may allow, a statement in writing containing the date of issue and such further particulars as the Ministry may require in respect of that instrument shall be delivered to the Ministry, and the duty chargeable in respect of that instrument shall be paid to the Ministry on delivery of that statement or within such longer time as the Ministry may allow.

(3) If default is made in complying with sub-section (2) in respect of any instrument, the person by whom or on whose behalf the instrument is issued, and any person who acts as the agent of that person for the purposes of the issue, shall be liable to a fine not exceeding the aggregate of fifty pounds and an amount equal to the stamp duty chargeable in respect of that instrument, and shall also be liable to pay to [[F23] Her Majesty] the duty chargeable in respect of that instrument and interest on the duty at the rate of five per cent. per annum from the date of the default.

(4) Where any instrument which is chargeable under the said heading on transfer of the stock constituted by, or transferable by means of, the instrument is presented to the Ministry for stamping, the person presenting it, and the owner of the instrument, shall furnish to the Ministry such particulars in writing as it may require for determining the amount of duty chargeable on that instrument.

(5) Any person who in Northern Ireland transfers, or is concerned as broker or agent in transferring, any stock by or by means of any such instrument as is mentioned in sub-section (4) shall, if the instrument is not duly stamped, be liable to a fine not exceeding the aggregate of fifty pounds and an amount equal to the stamp duty chargeable in respect of that instrument, and shall also be liable to pay to [[F23] Her Majesty] the duty chargeable in respect of that instrument and interest on the duty at the rate of five per cent. per annum from the date of the transfer in question.

(6) If any person, in furnishing particulars under this section in respect of any instrument, wilfully or negligently furnishes any particulars which are false in any material respect, he shall be liable to a fine not exceeding the aggregate of fifty pounds and an amount equal to twice the amount by which the stamp duty which ought to be charged in respect of that instrument exceeds the stamp duty paid in respect thereof.

(7) Where any such instrument as is mentioned in sub-section (4) has been stamped ad valorem or with a stamp indicating that it is chargeable under paragraph (4) of the said heading and with the duty specified in that paragraph, that instrument shall be deemed for all purposes other than sub-section (6) to have been duly stamped.

F20 Rep. with saving, 1999 c. 16
F21 Rep. prosp. by 1990 c. 29