

Amendments to Stamp Duties (Section 23) Order

New paragraph 6A

1. The Stamp Duties (Section 23) Order 2017 (S100/2017) is amended by inserting, immediately after paragraph 6, the following paragraphs:

“Application of paragraph 6 to VCCs

6A.—(1) Subject to section 60L(5) of the Act and paragraph (2), a reference to an entity in paragraph 6 includes a VCC and for this purpose—

- (a) the voting capital of an entity that is a VCC are its issued share capital (by whatever name called) other than issued share capital which consists of shares that do not entitle its holder to the right to vote at a general meeting; and
- (b) the voting power of an entity that is a VCC is to the voting power conferred by the shares mentioned in sub-paragraph (a).

(2) The determination of —

- (a) whether, in a case where an umbrella VCC is a party to the instrument concerned on behalf of a sub-fund, another person is an associate of the umbrella VCC in relation to the sub-fund; or
- (b) whether an umbrella VCC is an associate of a party to the instrument concerned in relation to any of its sub-funds,

is to be made in accordance with sub-paragraph (3) or (4).

(3) Paragraph 6 applies for the purpose of making the determination under sub-paragraph (2) subject to the following modifications:

- (a) where the umbrella VCC is entity X in paragraph 6(1)(a)(i), X beneficially owns the

voting capital and voting power in Y to a significant extent if X owns the voting capital and voting power in Y on behalf of the sub-fund to a significant extent;

- (b) where the umbrella VCC is entity Y in paragraph 6(1)(a)(i) or (ii), X or Z (as the case may be) beneficially owns the voting capital and voting power in Y to a significant extent if X or Z owns the voting capital and voting power of Y in respect of the sub-fund to a significant extent;
- (c) where the umbrella VCC is entity X in paragraph 6(1)(a)(ii), Z beneficially owns the voting capital and voting power in X to a significant extent if Z owns the voting capital and voting power of X in respect of the sub-fund to a significant extent;
- (d) where the umbrella VCC is the entity in paragraph 6(1)(b) or either of the entities in paragraph 6(1)(c), the individual beneficially owns the voting capital and voting power in that entity to a significant extent if the individual owns the voting capital and voting power of the entity in respect of the sub-fund to a significant extent;
- (e) paragraph 6(2) to (7) and the definition of “significant extent” in paragraph 6(8) apply accordingly.

(4) For the purpose of making the determination under sub-paragraph (2), a person (X) is an associate of the umbrella VCC if the VCC has an agreement or arrangement on behalf of the sub-fund with X, whether oral or in writing and whether express or implied, to act together with respect to the acquisition, holding or disposal of equity interests in, or with respect to the exercise of their votes in relation to, the entity in question.”.