Stamp duty exemption on eligible AIM and High Growth Segment securities

From 28 April 2014, Stamp Duty and the Stamp Duty Reserve Tax (SDRT) will no longer be chargeable on transactions in eligible securities on London Stock Exchange’s AIM and High Growth Segment.

What are Stamp Duty and Stamp Duty Reserve Tax (SDRT)?

£1,000+

It’s a tax levied on share purchases greater than £1,000

0.5%

on all purchases (rounded up to the nearest £0.01)

Is it relevant to my online execution only dealing? Yes, Stamp Duty / SDRT is levied on shares bought online in a UK company or in a foreign company with a share register in the UK.

What if I trade on the phone, or by post or I request to deal in certificated form? Stamp Duty / SDRT is also levied on these forms of trading.

For electronic paperless transactions, SDRT is levied. When shares are traded using a paper stock transfer form, Stamp Duty is levied.

What is the impact on me?

On securities eligible for stamp exemption, you will no longer be charged the levy...

...reducing your overall trading costs.

How do I trade an AIM security?

Through a trading account with a private client stock broker

Tax efficient ways of trading in AIM securities

Through an ISA (AIM shares became eligible for ISA inclusion in August 2013)

How do I find a stockbroker? A list of stock brokers who are member firms of the London Stock Exchange can be found at: www.londonstockexchange.com/find-a-broker

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