

Euroclear Manual

Electronic Share Trading

Rules, Procedures, Practices, Guidelines and Interpretations

Document updated June 2021

Contact Details

Telephone: +353 (0)67 63470 or +353 (0)67 63201

Email: crest@revenue.ie

Table of Contents

1	Introduction	5
1.1	Finance Act 2007	5
2	General Information.....	6
2.1	What is Euroclear Bank System?	6
2.2	Is stamp duty charged on shares transferred electronically?	6
2.3	What is the basis for the charge?	6
2.4	What rate of duty applies?	6
2.5	Are gifts of interest of shares liable to duty?	6
2.6	Do all the provisions of the stamp duty code apply to interest in shares transferred electronically?	6
3	Reliefs.....	8
3.1	What is Intermediary Relief?.....	8
3.2	What is Excluded Business?.....	8
3.3	What is the procedure for approval as a “recognised intermediary”?.....	9
3.4	CREST Unit checks on applications for approval as a recognised intermediary.	10
3.5	What is the procedure for approval as a Designated Exchange/Market?.....	10
3.6	What is Central Counterparty Relief (CCP)?	11
3.7	What is the procedure for approval as a Recognised Clearing House?.....	11
4	Other exemptions from Stamp Duty.....	12
4.1	Dematerialisation	12
4.2	How does the stock borrowing exemption apply?	12
5	Payment of Duty	13
5.1	Who is accountable for payment of the duty?	13
5.2	When is the duty due?	13

5.3	How is the duty paid?	13
5.4	How does Revenue receive the Stamp Duty via the Euroclear Bank System?	14
5.5	How do I pay Stamp Duty by Electronic Funds Transfer (EFT)?	14
5.6	What happens if the duty is not paid on time?	14
6	Refunds	15
6.1	General Information on Claiming Refunds	15
6.2	Intermediary Relief	16
6.3	Reclaim Procedures	17
6.4	No change of Beneficial Ownership (NCBO)	17
6.5	Reclaim Procedures	17
6.6	Other Reclaims	18
6.7	Duplicate Payment of Stamp Duty	18
6.8	How are reclaims processed?	18
7	CREST Unit EFT Payments	19
7.1	Euroclear Bank Daily Payment Advice (Funds lodged to Central Bank Euro Account) ..	19
7.2	Other EFT Payments	19
7.3	Cheque Payments	19
8	Audits	20
8.1	Will Revenue audit transfers effected through the Euroclear Bank System?	20
8.2	What evidence must a Euroclear Bank System member retain?	20
8.3	What happens if this evidence is not retained?	20
8.4	Are there penalties for fraud or negligence?	20
9	Other Information	21
9.1	Transaction Status Stamps (TSS) Flags	21
9.2	Links	21

Appendix 1 – Irish Stamp Duty Reclaim Forms Spreadsheet	22
Euro Reclaims in Euroclear Bank System.....	22
Sterling Reclaims in Euroclear Bank System.....	23
Appendix 2 – Intermediary Relief Reclaim Forms and Spreadsheet	24
Stamp Duty Relief For Recognised Intermediaries.....	24
Stamp Duty Relief For Recognised Intermediaries.....	26
Claims For Repayment Of Stamp Duty In Respect Of Intermediary Relief	28
Claims For Repayment Of Stamp Duty In Respect Of Intermediary Relief	29
Appendix 3 – NCBO Reclaim Forms and Spreadsheet.....	31
Stamp Duty On The Transfer Of Shares NCBO Reclaims	31
Appendix 4 – Recognised Intermediary Application Form.....	32
Application For Approval By The Revenue Commissioners Recognised Intermediary.....	32
Appendix 5 – Designated Exchange/Market Application Form	34
(Section 78C(a)of the Stamp Duties Consolidation Act 1999 inserted by of the Finance Act 2020)	34
Appendix 6 – Recognised Clearing House Application Form.....	36
Application for designation as a Recognised Clearing House.....	36
Contact.....	37

1 Introduction

Euroclear Bank System is the name of an electronic system which settles transfers of interest in Irish shares that are dealt with on certain exchanges/markets.

The Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (S.I. No. 68 of 1996) gave Irish companies the option of allowing their shareholders:

1. to evidence their title to shares otherwise than by a share certificate, and
2. to transfer their shares electronically i.e. without a stock transfer form.

The Regulations provide that electronic transfers must be effected through an electronic system the operator of which has been approved by the Minister for Enterprise, Trade & Employment (or by a body designated by the Minister) or by the appropriate authority in another Member State of the European Union. Euroclear Bank is approved to operate a system (called Euroclear Bank System) through which interest in shares can be transferred electronically.

Under the Euroclear Bank System, an instrument is not produced – the interest in Irish shares is transferred electronically, i.e. Euroclear Bank System is a paperless system of transferring interest in shares. Legislation was introduced under the 1996 Finance Act, which provided for the payment of stamp duty on electronic messages, which effect the transfer of shares. The transfer of interest in Irish shares through the Euroclear Bank System commenced 15th March 2021

The Stamp Duties Consolidation Act, 1999, as amended by Finance Act 2020, supersedes the legislation enacted in the 1996 Finance Act. Sections 78A to 78H deal with electronic transfer of interest in Irish shares.

1.1 Finance Act 2007

On 1 October 2007, a new stamp duty relief became available to a recognised intermediary in accordance with Section 78C of the Stamp Duties Consolidation Act 1999 (inserted by the Finance Act 2020).

Legislation is in place to cater for exemptions on certain transfers in a settlement chain involving a Central Counterparty.

The following sections explain how stamp duty and the Euroclear Bank System interact. For the sake of simplicity, the term share is used but all types of security (e.g. shares, stock, debentures, debenture stock) can be transferred through the system and the charge to stamp duty covers transfers of all such types.

2 General Information

2.1 What is Euroclear Bank System?

Euroclear Bank System is a computer-based system which enables interest in Irish shares to be transferred without a written document, i.e. without a stock transfer form. Euroclear Bank System is owned and operated by a Belgium company called Euroclear Bank Limited and commenced 15th March 2021. Euroclear Bank System replaced the previous settlement system, which was called CREST.

2.2 Is stamp duty charged on shares transferred electronically?

Yes. Provision was made in the Finance Act, 1996 (Part IV, Chapter I) to charge stamp duty on shares transferred electronically. This was replaced by Part 6 of the Stamp Duties Consolidation Act, 1999.

2.3 What is the basis for the charge?

Prior to the making of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (S.I. No. 68 of 1996), the Registrar of a company could not register a transfer of shares unless s/he had received a duly stamped stock transfer form.

Following the making of these Regulations, the Registrar may register a transfer if s/he has received a properly authenticated electronic message from Euroclear Bank System. The charge to stamp duty is based on treating that electronic message as if it were a “physical” stock transfer form.

2.4 What rate of duty applies?

The rate of duty on interest of shares transferred electronically is a flat 1% of the consideration for the sale. Where the calculation results in an amount which is not a multiple of a cent, the amount so calculated is rounded to the nearest cent, any 0.5c being rounded up to the next whole cent.

2.5 Are gifts of interest of shares liable to duty?

Yes. Gifts of interest of shares, which are transferred electronically, are liable to duty. Duty is chargeable at the rate of 1% on the market value of the interest in shares being transferred and the accountable person is the transferee.

2.6 Do all the provisions of the stamp duty code apply to interest in shares transferred electronically?

No. As the stamp duty code requires that a document be “impressed” with a stamp, certain parts of the code cannot apply. However, where appropriate, the code has been adjusted. For example, provision has been made:

- to assess the amount of duty due on an electronic message;
- to apply the appeal procedures to such assessments; and
- to allow reliefs from stamp duty to be availed of, notwithstanding the fact that it is not possible to adjudicate an electronic message.

2.7 If someone wants to claim a relief, how do they get an electronic message adjudicated?

Certain reliefs from stamp duty cannot be granted unless the document is adjudicated. In Euroclear Bank System, the reliefs for shares transferred in connection with company reconstructions or amalgamations and for share transfers between associated companies are a case in point.

Provision was made in the Finance Act, 1996 to enable the reliefs to apply, notwithstanding the fact that there is no document to adjudicate, provided all the other conditions for granting the relief have been satisfied. However, the reliefs mentioned above are not automatically available and must be claimed by way of a written submission to Revenue **before** the transfers take place. On receipt of clearance from Revenue, relief may be claimed if the trade meets the criteria for Intermediary Relief by inputting the "IEPX" flag at the level of the transaction(s).

In addition, the Euroclear Bank member (e.g. the broker which enters the details in respect of the transfer of interest in shares into the Euroclear Bank System) is obliged to retain evidence to support the declaration that the transfer is relieved from duty and this evidence will be available for examination by Revenue for **a period of six years**. Penalties will apply if a relief not properly due has been claimed and if the appropriate evidence has not been retained.

2.8 Is a person liable to duty if they withdraw interest in shares from the Euroclear Bank System?

Shares held in electronic form may be converted into paper form – a process called rematerialisation. When interest in shares are being rematerialised, there is no charge to duty unless the beneficial ownership changes. If the beneficial ownership does change, the transfer will be liable to ad valorem duty and the stock withdrawal instruction input into Euroclear Bank System must include an instruction to debit Stamp Duty (input of "IE1X" flag).

3 Reliefs

Intermediary Relief and Central Counterparty Relief were introduced on 1 October 2007. Broker/Dealer Relief and Closings Relief ceased to have effect from that date.

3.1 What is Intermediary Relief?

On 1 October 2007 a new stamp duty relief was made available to a recognised intermediary in accordance with Section 78C (a) of the Stamp Duties Consolidation Act, 1999 (inserted by the Finance Act, 2020).

An “intermediary” means a person who carries on a bona fide business of dealing in securities. Any firms wishing to claim Intermediary Relief are required to forward an application to the CREST Unit.

The core provision of Section 78C is contained in Section 75 (3). This subsection grants an exemption from stamp duty on the transfer of securities to a person or a person’s nominee, where—

- the person is a member firm of an exchange or market, and
- the person is an intermediary and is approved by the Revenue Commissioners as a recognised intermediary in accordance with arrangements made by the Revenue Commissioners with the exchange or market, and
- the transfer of securities is effected **either**—
 - on the exchange or market in respect of which the intermediary is a recognised intermediary, **or**
 - on any exchange or market operated by the Irish Stock Exchange Limited (e.g. the ISE Main Market and IEX) or the London Stock Exchange plc (e.g. the LSE Main Market and AIM), **or**
 - on any other exchange or market designated by Revenue for this purpose in regulations (A list of Designated Exchanges/Markets can be found on the Revenue website - please see [Section 9.2 - Links](#)), and
- the transfer is not effected in connection with excluded business.

3.2 What is Excluded Business?

For an exemption from stamp duty to be available to a recognised intermediary on any transfer to it of interest of Irish securities, as a rule, it is necessary that the transfer to it must be in connection with the intermediary’s business of dealing in securities and not in connection with various business activities termed “excluded business” carried on by the intermediary.

Excluded business means any business which consists in —

- the making or managing of investments
- providing services for connected persons
- insurance business, or assurance business
- administering, managing or acting as trustee in relation to pension business
- operating or acting as trustee in relation to collective funds.

A separate **Euroclear Bank Participant Number** is required for any trades effected on a transfer in connection with an excluded business also carried on by the Intermediary.

3.3 What is the procedure for approval as a “recognised intermediary”?

The member firm must satisfy itself, by reference to the legislation and explanatory notes (see [Section 9.2 – Links](#), Stamp Duty on Transfers of Irish Securities - New Reliefs For Certain Market Participants), that it falls within the statutory definition of an intermediary and, on having done so, complete the application form (see [Appendix 4](#)) and forward it to:

CREST Unit,
Collector-General's Division,
Revenue Commissioners,
Government Offices,
St. Conlon's Road,
Nenagh,
Co. Tipperary,
E45 T611 Ireland.

Telephone +353 (0)67 63470 or +353 (0)67 63201

Email: crest@revenue.ie

Where a member firm is not certain that it is entitled to apply for approval as a “recognised intermediary”, it should seek clarification from the CREST Unit.

Revenue will advise the applicant, in writing, of the outcome of the application.

Where a member firm of a designated exchange/market e.g. ISE, is an intermediary and is approved by Revenue as a recognised intermediary for that exchange, that member may, where appropriate, claim an exemption from stamp duty on a transfer of Irish securities to it, even if that is effected on any other exchange/market designated by Revenue. This means that, once approved, there is no requirement to apply in respect of other designated exchanges/markets of which they are members.

3.4 CREST Unit checks on applications for approval as a recognised intermediary.

On Receipt, check that the application form is fully completed:

- Name and address of applicant completed
- Confirms member firm of an exchange(s)
- Includes **Euroclear Bank Participant Number(s)**
- Contact address in relation to accounting for stamp duty
- Telephone number
- Email address
- Signed
- Capacity of signatory

If information is missing, contact the applicant by email/telephone and request that missing information be submitted by email.

If the form is not signed, contact the applicant by telephone/email to advise that you are returning for a signature and it cannot be registered until re-submitted and signed.

- **Checks to be carried out prior to input on the database**
- The applicant is a member of the stock exchange indicated - Membership to be verified by the CREST Unit.
- **The Euroclear Bank Participant Number is valid and relates to the name and address of the applicant**
- The details to be checked with Euroclear Bank

The name of applicant may not be the same as the name on the **Euroclear Bank Participant Number** (e.g. settlement agents, nominees, sponsored members etc.). In the event of a query on this, the **Euroclear Bank Participant Number** details should be confirmed with the applicant.

3.5 What is the procedure for approval as a Designated Exchange/Market?

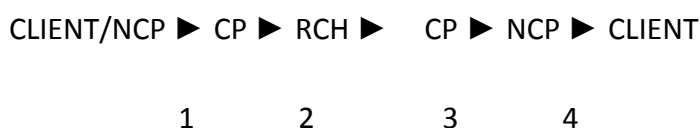
Any exchange/market that wishes to apply to become a designated exchange/market should contact the CREST Unit directly. See [Appendix 5](#) for the application form.

The application should be accompanied by a copy of approval given by the relevant Competent Authority to operate as an exchange/market, i.e. IFSRA, FSA etc. together with any other relevant documentary evidence.

3.6 What is Central Counterparty Relief (CCP)?

On 1 October 2007, a new Section 78C (b) of the Stamp Duties Consolidation Act, 1999 inserted by the Finance Act, 2020 became operative. The interposition of a Central Counterparty (CCP), or a clearing member of a CCP, in the settlement chain gives rise to stamp duty charges unless appropriate relief is available.

The core provision of Section 78C is contained in Section 75A (2) and provides for a stamp duty exemption for each transferee in Legs 1, 2, 3 and 4 (in the settlement chain shown below) so long as that transferee is required, on receipt, to transfer the securities concerned to another person under a matching contract.



NCP = a non-clearing participant; CP = a clearing participant; RCH = a recognised clearing house.

Provision has also been made for a stamp duty exemption in respect of transfers from the NCP directly to the RCH and from the RCH directly to the NCP where the transferee is required, on receipt, to transfer the securities concerned to another person under a matching contract.

An additional feature is where the CP fails to deliver securities to the RCH in Leg 2 and the RCH purchases the securities from another person. In that case, the RCH is exempt from stamp duty on that purchase and, while required to transfer the securities to the next person in the settlement chain, need not do so under a matching contract.

Further information can be found in Stamp Duty on Transfers of Irish Securities - New Reliefs For Certain Market Participants Note (see [Section 9.2 - Links](#)).

A list of Recognised Clearing Houses can be found on the Revenue website, please see [Section 9.2 - Links](#).

3.7 What is the procedure for approval as a Recognised Clearing House?

Any clearing house that wishes to apply to become a Recognised Clearing House should contact the CREST Unit directly.

See [Appendix 6](#) for the application form.

The application should be accompanied by a copy of approval given by the relevant competent authority to operate as a clearing house, i.e. IFSRA, FSA etc. together with any other relevant documentary evidence.

4 Other exemptions from Stamp Duty

The following transfers are exempt:

4.1 Dematerialisation

Before shares can be transferred electronically, they must first be converted from paper (certificate) form to electronic form. The process of conversion is called dematerialisation. When shares are being dematerialised and there is no change in beneficial ownership but there is a change in legal ownership, the stock transfer form and the stock deposit into CREST are exempt from Stamp Duty and the "IEYX" flag should be used to exempt the transaction in CREST. If the beneficial ownership does change, however, and that stamp duty is due on such a transaction, participant must enter an onward delivery or own account transaction with the correct stamp duty transaction fields (use of "IE1X" flag) for EB to calculate the stamp duty.

No Change in Beneficial Ownership (NCBO)

This involves transfers of shares within the system when the beneficial ownership does not change. Electronic instructions, where the legal ownership changes but the beneficial ownership remains unchanged, are not liable to Stamp Duty and the "IEYX" flag should be used to exempt the transaction.

4.2 How does the stock borrowing exemption apply?

If quoted interest in stock is transferred to an intermediary for the sole purpose of enabling them to complete a contract for the sale of stock of that type, then that transfer ("stock borrowing") is exempt from stamp duty whether it is effected electronically or via a stock transfer form. Equivalent interest in stock must be returned to the lender ("stock return") within 12 months of the date on which the interest in stock was acquired from the lender.

The "IEPX" flag should be used to exempt the transaction.

If equivalent interest in stock is not returned within that 12-month period, then the intermediary will become liable to pay ad valorem duty on the stock transferred to him by the lender. If the Stamp Duty is not paid to the CREST Unit, Collector-General's Division within 14 days of the end of that 12-month period, interest and penalties are due as follows:

- where the unpaid duty exceeds €30, interest on such duty calculated at the following rates:
 - 0.0219% of the stamp duty per day (from 01/07/2009)
 - 0.0273% (from 01/04/2005 to 30/06/2009)
 - 0.0322% (from 01/09/2002 to 31/03/2005)
 - 1% per month or part thereof before 01/09/2002,
 - a penalty of 1% of the duty for each day the duty remains unpaid.

The stock borrower must maintain separate records of each stock borrowing and any stock return made in respect of that stock borrowing. Such records must include:

1. evidence that the stock borrower was obliged to supply interest in stock to complete a trade;
2. the name and address of the lender;
3. the type, nominal value, description and amount of interest in stock borrowed from the lender;
4. the date on which the interest in stock was transferred from the lender to the broker/dealer, market maker or his nominee;
5. the date on which equivalent interest in stock should be returned to the lender;
6. the type, nominal value, description and amount of the interest in stock returned to the lender and the date of the interest in stock return; and
7. full details where the interest in stock has been paid, converted, subdivided, consolidated, redeemed, made the subject of a takeover, call on partly paid stock, capitalisation issue, rights issue, distribution or other similar event.

The transfer of interest in stock to the lender as security (“collateral stock”) for the undertaking given by the stock borrower to return equivalent interest in stock to the lender within 12 months is also exempt from duty.

5 Payment of Duty

5.1 Who is accountable for payment of the duty?

The accountable person is the transferee.

5.2 When is the duty due?

In the Euroclear Bank system the Stamp duty is due and payable as from the time the transaction is matched.

5.3 How is the duty paid?

Where a Euroclear Bank Member wishes to pay Stamp Duty on an electronic transfer of interest in shares through Euroclear Bank System, they must select the “IE1X” flag – 1% ad valorem, so that the appropriate Stamp Duty is deducted by Euroclear Bank from the stampable consideration for Eur or GBP in their instruction or not indicated a stampable consideration or has provided a stampable consideration to another currency than Eur or GBP will be applied to the cash amount indicated in that party’s instruction.(converted to Euro by application of the daily ECB exchange rate, if the cash amount is expressed in another currency other than EUR or GBP or 1% will be applied to the transaction quantity multiplied by the closing price of the share on the previous day

How does a Recognised Intermediary carrying out Excluded Business pay duty?

A Recognised Intermediary must use a separate **Euroclear Bank Participant Number** for any trades effected on a transfer in connection with an excluded business also carried on by the Intermediary.

5.4 How does Revenue receive the Stamp Duty via the Euroclear Bank System?

The Stamp Duty deducted by Euroclear Bank is remitted to Revenue by way of Electronic Funds Transfer on a daily basis.

5.5 How do I pay Stamp Duty by Electronic Funds Transfer (EFT)?

Irish Stamp Duty can be paid by Electronic Funds Transfer (EFT) – please contact the CREST Unit directly for Bank Account details.

When payment is made by EFT:

- (a) Reference **CREST** must be quoted in the “**Message for Beneficiary**” field of the payment instruction.
- (b) relevant bank charges must be included.
- (c) CREST Unit must be advised (by email to crest@revenue.ie) of the payment, on the day the payment is instructed.
- (d) A list of Euroclear Bank Reference of the Transaction(s) and trade dates and corresponding amounts of Stamp Duty must be included with the email.
- (e) **Euroclear Bank Participant Number** should be quoted.

5.6 What happens if the duty is not paid on time?

The interest and surcharge that apply to late payment of stamp duty on documents also apply to late payment of stamp duty chargeable on interest in shares transferred electronically i.e.

- Where the unpaid duty exceeds €30, interest on such duty calculated at the following rates per day or part of a day from the date the electronic message was generated to the date of payment of the unpaid duty:
 - 0.0219% of the stamp duty (from 01/07/2009)
 - 0.0273% of the stamp duty (from 01/04/2005 to 30/06/2009)
 - 0.0322% (from 01/09/2002 to 31/03/2005)

[The rate was 1% per month or part thereof before 01/09/2002.]

and

- A surcharge equivalent to:

- 5% of the unpaid duty, subject to a maximum surcharge of €12,695 where the duty is paid not later than 2 months after the date the electronic message was generated, or
- 10% of the unpaid duty, subject to a maximum surcharge of €63,485 where the duty is paid more than 2 months after the date on which the electronic message was generated.

When duty is paid late, the late payment, including the appropriate penalties, should be paid by EFT direct to Revenue, AIB Capital Taxes Account.

6 Refunds

General Information on refunds –

Reclaims for Stamp Duty paid should not normally arise. The majority of reclaims in respect of transactions carried out only arise as a result of errors incorrectly flagging settlement instructions in the Euroclear Bank System.

The most common types of refund claims are;

- Intermediary Relief
- No Change of Beneficial Ownership (NCBO)
- Others

6.1 General Information on Claiming Refunds

All refund claims must be accompanied by a letter, on headed paper by Euroclear Bank Participant who conducted the trades, and include the following:

1. request a reclaim of Irish Stamp Duty and state the legislative basis
2. quote **Euroclear Bank Participant Number** of the claimant
3. state the amount and currency of the reclaim
4. include the relevant Euroclear Bank Reference of the Transaction(s) with trade date(s)
5. state the reason for the reclaim (in detail)
6. sign and quote a contact name and phone number
7. quote a reference number on each claim for ease of reference
8. Sterling and Euro claims must be made separately

9. spreadsheet ([Appendix 1](#)- Irish Stamp Duty Reclaim) reclaims for more than 20 transactions must be provided on a Microsoft Excel spreadsheet via email to crest@revenue.ie

Failure to include any of the above information may result in rejection of the reclaim.

It is important that the basis for each reclaim is clearly outlined and that the appropriate schedule and declarations are submitted, together with any supporting evidence. The claimant should submit the required details in list format. Reclaims for more than 20 transactions should be provided on a Microsoft Excel Spreadsheet via secure email.

Irish Revenue banking records for repayments for customers for EUR & GBP are currently recorded under CREST ID numbers as used in EUI.

In order for Revenue to link bank accounts on file to EB Participant Number, the CREST Participant ID is required.

If a different bank account (other than those Revenue already have on record) is being used or if registering for the first time, the following is required: (a) Bank Account Name, (b) IBAN, and (c) BIC. These details should be sent by hard copy for each EB Participant Number to the following address:

CREST Unit,
Collector-General's Division,
Revenue Commissioners,
Government Offices,
St. Conlon's Road,
Nenagh,
Co. Tipperary,
E45 T611 Ireland.

In certain circumstances, Revenue may require further documentation to prove entitlement to a refund. All refund claims must be made within 4 years of the original payment. Where the claimant is not resident in the State and has no branch or agency in the State, Revenue may require the claimant, as a condition for obtaining a repayment, to appoint and maintain a tax representative in the State who shall be personally liable to Revenue for any loss of duty arising out of an incorrect claim.

[See Appendix 1 for Irish Stamp Duty Reclaim Forms Spreadsheet](#)

6.2 Intermediary Relief

On 1 October 2007, a new stamp duty relief became available to a recognised intermediary in accordance with Section 78C (a) of the Stamp Duties Consolidation Act 1999 (inserted by of the Finance Act 2020).

6.3 Reclaim Procedures

To reclaim Intermediary Relief, it is necessary to certify that at the date of each transfer:

- The transferee was approved by Revenue as a recognised intermediary *and*
- the transfer of securities was effected **either**—
 - on the exchange or market in respect of which the intermediary is a recognised intermediary, or
 - on any exchange or market designated by Revenue for this purpose in regulations
- the transfer was not effected in connection with excluded business.

These details must be included in the reclaim covering letter.

A Microsoft Excel spreadsheet with the list of the transaction(s) must be included.

[See Appendix 2 for Intermediary Relief Reclaim Forms and Spreadsheet](#)

6.4 No change of Beneficial Ownership (NCBO)

Where there are transfers in Euroclear Bank System, and where there is no change in the beneficial ownership of the interest of the Securities, a stamp duty charge does not apply. A reclaim can arise where a transaction involved no change of beneficial ownership but had not been correctly flagged using “IEYX” - Irish exempt, reason NCBO.

6.5 Reclaim Procedures

Where legal title only is being transferred electronically and there is no change in beneficial ownership involved, the transfer is exempt from stamp duty.

All NCBO reclaims must be accompanied by:

- a declaration confirming that there has been no change in beneficial ownership in the transaction to which the reclaim relates

and

- If the movement was an NCBO to facilitate a purchase or sale, then the Euroclear Bank Reference of the Transaction (s) of the relevant purchase or sale transaction will be required in support of the reclaim,
- If the movement of stock is on foot of a purchase, the Euroclear Bank Reference of the Transaction of the purchase is required.

[See Appendix 3 for NCBO Reclaim Forms and Spreadsheet](#)

6.6 Other Reclaims

There may be many other reasons why a reclaim of Stamp Duty may be made.

6.7 Duplicate Payment of Stamp Duty

Where Stamp Duty has been charged on a transaction and Stamp Duty was also charged on an earlier or subsequent leg and there was only one change of beneficial ownership. The evidence required is the Euroclear Bank Reference of the Transaction(s) of the other leg where Stamp Duty was also paid.

[See Appendix 1 for Irish Stamp Duty Reclaim Spreadsheet](#)

6.8 How are reclaims processed?

When the reclaim is received it is examined to see if the following are present:

- A cover letter stating the amount and currency of the reclaim
- Euroclear Bank Participant Number
- A list of the relevant Euroclear Bank Reference of the Transaction(s) with trade date(s).
- The reason for the reclaim (in detail)
- A signature clearly stating a contact name and phone number
- Sterling and Euro reclaims made separately
- A spreadsheet for reclaims with more than 20 transactions (see [Appendix 1 for Irish Stamp Duty Reclaim Spreadsheet](#)).

Where the above requirements are not met or the information supplied is incorrect, the reclaim is rejected and returned to the sender with a cover note. The following details are recorded prior to returning the claim:

- Date received
- Company Name
- Contact
- Applicant's reference of their claim
- Date returned
- Amount
- Reason returned.

The reclaim information is inputted into Revenue's Euroclear Bank System for matching with information received from Euroclear Bank. Any unmatched transactions are highlighted and listed for notification to claimant of rejection of the total or part reclaim.

Euro and Sterling repayments are made by EFT only. Revenue requests all participants, for whom bank account details are not held, to provide their details. Participant claims will be withheld pending receipt of bank details.

7 CREST Unit EFT Payments

7.1 Euroclear Bank Daily Payment Advice (Funds lodged to Central Bank Euro Account)

Euroclear Bank make EFT payments each week day to the Central Bank Stamp Duty Account (daily Sterling payment and daily Euro payments).

7.2 Other EFT Payments

Euroclear Bank Members may make payments to Revenue by EFT in respect of Stamp Duty underpaid. This may be due to incorrectly exempting a chargeable transaction at the time of input. EFT payments may be made in either Euros or Sterling but are all lodged to the Revenue Euro account (i.e. Sterling EFT payments are shown in the account at converted Euro value lodged).

1. The firm notifies CREST Unit by email to crest@revenue.ie, that an EFT has been instructed and the amount of the payment. The payment details are recorded in the submitted spreadsheet.
2. CREST Unit checks that Euroclear Bank Reference of the Transaction(s) and trade date(s) have been provided for the payment and if not, this information is requested immediately.

7.3 Cheque Payments

Cheque payments are not accepted.

8 Audits

8.1 Will Revenue audit transfers effected through the Euroclear Bank System?

Transfers effected through the Euroclear Bank System are subject to audit.

Euroclear Bank Participants are required to retain evidence in relation to all transfers effected through the system where no duty is paid. In addition, there are penalties for failure to comply or for fraud or negligent input – see Section 78H of the Stamp Duties Consolidation Act, 1999.

8.2 What evidence must a Euroclear Bank System member retain?

If a Euroclear Bank Participant enters stamp duty exempt transaction flags and/or leaves the stampable consideration field blank, then evidence must be retained in legible written form, or readily convertible into such form, for a period of 6 years from the date the flag was entered and/or the field left blank in sufficient detail to establish that the related operator-instruction is not chargeable with duty.

The evidence must be made available to Revenue upon request.

8.3 What happens if this evidence is not retained?

The Euroclear Bank Participant will be liable to pay a fine of €1,265 per instruction, if the appropriate evidence is not retained.

8.4 Are there penalties for fraud or negligence?

Yes. If a Euroclear Bank Participant fraudulently or negligently enters an incorrect instruction into Euroclear Bank System, then they will be liable to pay the following if that incorrect instruction gives rise to an underpayment of duty:

- a penalty of €1,265, **plus**
- tax geared penalties as set out in the [Code of Practice for Revenue Audit and other Compliance Interventions](#).

9 Other Information

9.1 Transaction Status Stamps (TSS) Flags

The following are the TSS flags available in the Euroclear Bank System for Irish Stamp Duty purposes:

Value	Description
IE1X	Irish 1% ad valorem
IE8X	Irish exempt, new issue
IELX	Irish exempt, stock borrowing
IEQX	Irish exempt, for any other reason
IEPX	Irish exempt, as acting as a recognised intermediary, approved by the Revenue Commissioners.
IEYX	Irish exempt, no change in beneficial ownership (NCBO)

9.2 Links

Stamp Duty on Transfers of Irish Securities - New Reliefs for Certain Market Participants – August 2007

[List of Designated Exchanges](#)

[List of Recognised Clearing Houses](#)

Appendix 1 – Irish Stamp Duty Reclaim Forms Spreadsheet

Euro Reclaims in Euroclear Bank System

Applicants Name: _____

Euroclear Bank Participant Number: _____

Item No	Name of security	Security ISIN	Quantity	Trade Date	Euroclear Bank Reference of the Transaction(s) (Stamp duty paid in Euroclear Bank)	Amount of repayment claimed €

TOTAL:

NB (1) MS Excel spreadsheet, must be provided for claims in excess of 20 transactions, via secure email
 (2) Sterling and Euro claims must be made separately

Sterling Reclaims in Euroclear Bank System

Applicants Name: _____

Euroclear Bank Participant Number: _____

Item No	Name of security	Security ISIN	Quantity	Trade Date	Euroclear Bank Reference of the Transaction(s) (Stamp duty paid in Euroclear Bank)	Amount of repayment claimed £

TOTAL:

NB

(1) MS Excel spreadsheet, must be provided for claims in excess of 20 transactions, via secure email

(2) Sterling and Euro claims must be made separately

Appendix 2 – Intermediary Relief Reclaim Forms and Spreadsheet

Stamp Duty Relief For Recognised Intermediaries

STAMP DUTY ON THE TRANSFER OF SHARES STERLING RECLAIM DECLARATION

Section 78C(a) of the Stamp Duties Consolidation Act 1999

I refer to the attached schedule and wish to claim a refund of stamp duty in the amount of £ _____ to Euroclear Bank Participant Number _____ Revenue Intermediary Name & Revenue Number _____

I certify that all the details on the attached list are correct and hereby claim exemption from stamp duty by reference to the provisions of Section 78C (a) of the Stamp Duties Consolidation Act 1999 (intermediary relief).

I certify that at the date of each transfer

- The transferee was a member firm of the Irish Stock Exchange Limited _____ the London Stock Exchange plc _____ other designated exchange/market _____

Specify _____ **and**

- was an intermediary and approved by the Revenue Commissioners as a recognised intermediary **and**
- the transfer of securities was effected **either—**
 - on the exchange or market in respect of which the intermediary is a recognised intermediary, **or**

- on any exchange or market operated by the Irish Stock Exchange Limited (e.g. the ISE Main Market and IEX) or the London Stock Exchange plc (e.g. the LSE Main Market and AIM), **or**

- on another exchange or market designated by the Revenue Commissioners for this purpose in regulations.
Specify _____ **and**

- the transfer was not effected in connection with excluded business

SIGNED: _____ DATE: _____

Capacity: _____

Telephone: _____ applicants stamp here

Email: _____

Stamp Duty Relief For Recognised Intermediaries

**STAMP DUTY ON THE TRANSFER OF SHARES STERLING RECLAIM
DECLARATION****Section 78C (a) of the Stamp Duties Consolidation Act 1999**

I refer to the attached schedule and wish to claim a refund of stamp duty in the amount of £_____ to Euroclear Bank Participant Number _____
 _____ Revenue Intermediary Name & Revenue Number _____

I certify that all the details on the attached list are correct and hereby claim exemption from stamp duty by reference to the provisions of Section 78C (a) of the Stamp Duties Consolidation Act 1999 (intermediary relief).

I certify that at the date of each transfer

- The transferee was a member firm of the Irish Stock Exchange Limited _____
 the London Stock Exchange plc _____ other designated exchange/market

Specify _____ **and**

- was an intermediary and approved by the Revenue Commissioners as a recognised intermediary **and**
- the transfer of securities was effected **either—**
 - on the exchange or market in respect of which the intermediary is a recognised intermediary, **or**
 - on any exchange or market operated by the Irish Stock Exchange Limited (e.g. the ISE Main Market and IEX) or the London Stock Exchange plc (e.g. the LSE Main Market and AIM), **or**
 - on another exchange or market designated by the Revenue Commissioners for this purpose in regulations. Specify _____ **and**
 the transfer was not effected in connection with excluded business

SIGNED: _____ DATE: _____

Capacity: _____

Telephone: _____ applicants stamp here

Email: _____

Euro Currency**Claims For Repayment Of Stamp Duty In Respect Of Intermediary Relief**

Section 78C (a) of the Stamp Duties Consolidation Act 1999

Applicants Name: _____ Euroclear Bank Participant Number: _____ Revenue Intermediary Name & Revenue Number _____

Item No	Name of security	Security ISIN	Quantity	Trade Date	Euroclear Bank Reference of the Transaction(s) (Stamp duty paid in Euroclear Bank)	Amount of repayment claimed €

NB (1) MS Excel spreadsheet, must be provided for claims in excess of 20 transactions, via secure email
 (2) Sterling and Euro claims must be made separately

Sterling Currency

Claims For Repayment Of Stamp Duty In Respect Of Intermediary Relief

Section 78C (a) of the Stamp Duties Consolidation Act 1999

Applicants Name: _____ Euroclear Bank Participant Number: _____ Revenue Intermediary Name & Revenue Number _____

Item No	Name of security	Security ISIN	Quantity	Trade Date	Euroclear Bank Reference of the Transaction(s) (Stamp duty paid in Euroclear Bank)	Amount of repayment claimed £

- NB
- (1) MS Excel spreadsheet, must be provided for claims in excess of 20 transactions, via secure email
 - (2) Sterling and Euro claims must be made separately

Appendix 3 – NCBO Reclaim Forms and Spreadsheet

Stamp Duty On The Transfer Of Shares NCBO Reclaims

EXEMPTION FOR NO CHANGE IN BENEFICIAL OWNERSHIP CLAIMED ON IRISH SHARES TRANSFERRED IN EUROCLEAR

Where legal title only is being transferred electronically and no change in beneficial ownership is involved, the transfer is exempt from stamp duty.

All NCBO reclaims must be accompanied by:

1. A declaration confirming that there has been No Change of Beneficial Ownership on the transactions to which the reclaim relates. (“I can confirm that the trades on which we are seeking the refund have involved no change of beneficial ownership”)
2. Details of the prior or subsequent leg where stamp duty was paid:
 - If the movement of stock is to facilitate a sale to the market, the Euroclear Bank Reference of the Transaction of that sale is required.
 - If the movement of stock is on foot of a purchase, the Euroclear Bank Reference of the Transaction of the purchase is required.

Appendix 4 – Recognised Intermediary Application Form

Application For Approval By The Revenue Commissioners Recognised Intermediary

Under the relevant legislation¹ a recognised intermediary is not charged to stamp duty on a transfer to it of Irish securities where such transfer is not effected in connection with excluded business as defined in the relevant legislation.

Name & Address of Applicant

--

- (1) We confirm that we are a member firm of:
- | | |
|-------------------------------------|--|
| the Irish Stock Exchange Limited | |
| the London Stock Exchange plc | |
| other designated exchange or market | |

Specify

--	--	--

- (2) **Euroclear Bank Participant Number(s)**

- (3) We hereby apply for approval as a recognised intermediary within the meaning of the relevant legislation.

In this respect we certify that –

- a. we have considered the relevant legislation and confirm that we are an intermediary as defined in the relevant legislation;
- b. we will not claim relief as a recognised intermediary in respect of any transfer of securities effected in connection with excluded business as defined in the relevant legislation;

and

- c. we hereby consent to have the relevant records of the firm made available to an officer of the Revenue Commissioners, when so required, for the purposes of verifying compliance with the relevant legislation.

- (4) The address at which the Revenue Commissioners can contact the applicant in relation to its accounting for stamp duty is as follows:

--

Telephone:		Email:	

Signed:

Please print name:

Capacity:

(Director, Company Secretary etc.)

Date:

dd/mm/yyyy

¹The relevant legislation means Section 78C (a) of the Stamp Duties Consolidation Act 1999, as inserted by the Finance Act 2020

²Specify *each* EB Participant Account Number for which approval is sought

Appendix 5 – Designated Exchange/Market Application Form

Application for designation by an EXCHANGE OR MARKET for the purposes of INTERMEDIARY RELIEF

(Section 78C(a) of the Stamp Duties Consolidation Act 1999 inserted by of the Finance Act 2020)

The Finance Act 2020 inserted a new Section 78C into the Stamp Duties Consolidation Act 1999. Section 78C(a), which subject to certain conditions provides a stamp duty relief for members of certain exchanges or markets when acquiring Irish securities, will take effect on a date to be determined by the Minister for Finance. The exchanges or markets concerned are:

- the Irish Stock Exchange Limited,
- the London Stock Exchange plc, and
- any other exchange or market which is designated for the purposes of Section 75 in regulations made by the Revenue Commissioners.

(Note: An exchange or market which appears on the list drawn up by an EEA State pursuant to Article 16 of Council Directive 93/22 EEC of 10 May 1993 is entitled to make this application)

Name of Applicant

Address

Home Member State

Name of Competent
Authority of Home
Member State

Address

Signed:

Capacity:

Date:

*(Director, Company Secretary etc.)****Completed Application form should be forwarded to:***

CREST Unit,
Collector-General's Division,
Revenue Commissioners,
Government Offices,
St. Conlon's Road,
Nenagh,
Co. Tipperary,
E45 T611
Ireland.

Telephone +353 (0)67 63470 or +353 (0)67 63201**Email: crest@revenue.ie**

Appendix 6 – Recognised Clearing House Application Form

Application for designation as a Recognised Clearing House

(Section 78C (b) of the Stamp Duties Consolidation Act 1999 inserted by of the Finance Act 2020)

A clearing house is a body or association which provides services related to the clearing and settlement of transactions and payments and the management of risks associated with the resulting contracts and which is regulated or supervised in the provision of those services by a regulatory body, or an agency of government of a Member State of the European Communities.

Name of Applicant

Address

**Name of Regulator or
Supervisor**

Address

We hereby apply to the Revenue Commissioners to be designated as a recognised clearing house for the purposes of Section 78C(b) of the Stamp Duties Consolidation

Act 1999 inserted by the
Finance Act 2020
Signed:

Capacity:

Date:

(Director, Company
Secretary etc.)

Completed Application form should be forwarded to:

CREST Unit,
Collector-General's Division,
Revenue Commissioners,
Government Offices,
St. Conlon's Road,
Nenagh,
Co. Tipperary,
E45 T611
Ireland.

Contact

Telephone +353 (0)67 63470 or +353 (0)67 63201

Email: crest@revenue.ie