



Stamp Duty and Stamp Duty Reserve Tax: change of name by European Multilateral Clearing Facility N.V.

Who is likely to be affected?

European Multilateral Clearing Facility N.V. (EMCF), a recognised clearing house for equity trades.

General description of the measure

The measure will revoke the regulations which prescribe EMCF as a recognised clearing house and replace them with new regulations to reflect its new name, European Central Counterparty N.V.

Policy objective

The replacement regulations are needed to recognise the change of name of the legal entity providing the clearing services and make the position clear to market participants going forward.

Background to the measure

EMCF, a major clearing provider, was prescribed as a recognised clearing house for the purposes of the relief from Stamp Duty and Stamp Duty Reserve Tax in 2011. On 14 March 2013, EMCF announced plans to combine with another clearing house, European Central Counterparty Limited (EuroCCP). The combination entails EMCF continuing as the single operating entity and changing its name to European Central Counterparty N.V.

This measure follows an informal consultation with EMCF and EuroCCP.

Detailed proposal

Operative date

This measure will have effect on and after 30 January 2014.

Current law

EMCF was prescribed as a recognised clearing house by the Stamp Duty and Stamp Duty Reserve Tax (European Multilateral Clearing Facility N.V.) Regulations 2011 (SI 2011/668) (the 2011 Regulations).

Proposed revisions

The Stamp Duty and Stamp Duty Reserve Tax (European Central Counterparty N.V.) Regulations 2014 revoke the 2011 Regulations which prescribe EMCF as a recognised clearing house and replaces them with new regulations to reflect EMCF's new name, European Central Counterparty N.V.

Summary of impacts

Exchequer impact (£m)	2013 to 14	2014 to 15	2015 to 16	2016 to 17	2017 to 18
	nil	nil	nil	nil	nil
	The measure is not expected to have an Exchequer impact.				
Economic impact	The measure is not expected to have any economic impacts.				
Impact on individuals and households	There will be no impact on individuals or households				
Equalities impacts	It is not expected that this measure has any impacts on groups sharing protected characteristics.				
Impact on business including civil society organisations	The measure will maintain clear legislation and avoid any confusion in the markets. It is expected to have no other impact on businesses or civil society organisations.				
Operational impact (£m) (HMRC or other)	This measure will not have any operational impacts.				
Other impacts	Other impacts have been considered and none have been identified.				

Monitoring and evaluation

The measure will be monitored as part of HM Revenue & Customs' normal assurance process.

Further advice

If you have any questions about this change, please contact Anne Berriman on Telephone: 03000 585 901 (email: anne.berriman@hmrc.gsi.gov.uk).

Declaration

Sajid Javid MP, Financial Secretary to the Treasury has read this Tax Information and Impact Note and is satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impacts of the measure.