

**Changes to legislation:** There are currently no known outstanding effects for the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, PART 4. (See end of Document for details)

## SCHEDULE 5

### HIGHER RATES RESIDENTIAL PROPERTY TRANSACTIONS

#### Modifications etc. (not altering text)

- C1** Sch. 5 applied (with modifications) (1.4.2018) by [The Land Transaction Tax \(Transitional Provisions\) \(Wales\) Regulations 2018 \(S.I. 2018/126\)](#), regs. 1(2), **12**

## PART 4

### BUYER IS NOT AN INDIVIDUAL

#### *Introductory*

- 19 This Part sets out when a chargeable transaction where the buyer is not an individual is a “higher rates residential property transaction” for the purpose of regulations under section 24(1)(b).

#### Commencement Information

- I1** [Sch. 5 para. 19](#) in force at 1.4.2018 by [S.I. 2018/34](#), **art. 3**

#### *Transaction involving a dwelling*

- 20 (1) A chargeable transaction is a higher rates residential property transaction if—
- (a) the buyer is not an individual,
  - (b) the main subject-matter of the transaction consists of a major interest in a dwelling (“the purchased dwelling”), and
  - (c) the chargeable consideration for the dwelling is £40,000 or more.
- (2) But a transaction is not a higher rates residential property transaction under sub-paragraph (1) if at the end of the day that is the effective date of the transaction—
- (a) the purchased dwelling is subject to a lease,
  - (b) the main subject-matter of the transaction is reversionary on that lease, and
  - (c) the lease meets the conditions set out in sub-paragraph (3).
- (3) The conditions are that—
- (a) the lease is not held by a person connected with the buyer, and
  - (b) the lease has an unexpired term of more than 21 years.

#### Commencement Information

- I2** [Sch. 5 para. 20](#) in force at 1.4.2018 by [S.I. 2018/34](#), **art. 3**

#### *Transaction involving multiple dwellings*

- 21 (1) A chargeable transaction is a higher rates residential property transaction if—

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- (a) the buyer is not an individual,
  - (b) the main subject-matter of the transaction consists of a major interest in two or more dwellings (“the purchased dwellings”), and
  - (c) at least one of the purchased dwellings is a dwelling to which sub-paragraph (2) applies.
- (2) This sub-paragraph applies to a purchased dwelling if the amount of the chargeable consideration for the transaction which is attributable on a just and reasonable basis to the purchased dwelling is £40,000 or more.
- (3) But sub-paragraph (2) does not apply to a purchased dwelling if at the end of the day that is the effective date of the transaction—
- (a) the purchased dwelling is subject to a lease,
  - (b) the main subject-matter of the transaction is reversionary on that lease, and
  - (c) the lease meets the conditions set out in sub-paragraph (4).
- (4) The conditions are that—
- (a) the lease is not held by a person connected with the buyer, and
  - (b) the lease has an unexpired term of more than 21 years.
- (5) A transaction within section 72(9) is not a higher rates residential property transaction save where Schedule 13 applies (see in particular paragraph 6(6) of that Schedule).

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**Commencement Information**

**I3** [Sch. 5 para. 21](#) in force at 1.4.2018 by [S.I. 2018/34](#), [art. 3](#)

*Two or more buyers*

- 22 Where there are two or more buyers in a transaction, the transaction is a higher rates residential property transaction if paragraph 20 or 21 applies in relation to any one of the buyers.

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**Commencement Information**

**I4** [Sch. 5 para. 22](#) in force at 1.4.2018 by [S.I. 2018/34](#), [art. 3](#)

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