



Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017

2017 anaw 1

PART 6

RETURNS AND PAYMENTS

CHAPTER 3

DEFERRAL OF TAX

58 Deferral requests in cases of contingent or uncertain consideration

- (1) A buyer in a land transaction where the whole or part of the chargeable consideration is contingent or uncertain (see sections 19 and 20) may give notice to WRA (“a deferral request”) requesting that payment of an amount of tax payable stated in the first return relating to the transaction (“the requested amount”) be deferred.
- (2) But the requested amount may not exceed the deferrable amount (see section 59).
- (3) WRA must agree to a deferral request if—
 - (a) the return and the deferral request are made on or before the filing date for that return,
 - (b) the request—
 - (i) specifies the requested amount to be deferred,
 - (ii) sets out the calculation of the requested amount carried out in accordance with section 59 (including the amount of consideration falling within step 2 of that calculation (“the deferred consideration”)),
 - (iii) sets out the reasons why the deferred consideration is contingent or uncertain and the reasons why it falls to be paid or provided on one or more future dates of which at least one will or may fall more than 6 months after the effective date of the transaction,

Status: This is the original version (as it was originally enacted).

- (iv) proposes an expected end date of the deferral period (see subsection (8)), and
 - (v) contains any other information as may be required by virtue of section 191 of TCMA (giving notices to WRA),
 - (c) WRA is satisfied that the requested amount does not exceed the deferrable amount calculated in accordance with section 59, and
 - (d) the land transaction is not a tax avoidance arrangement nor forms part of arrangements which are tax avoidance arrangements.
- (4) Otherwise WRA must refuse a deferral request (but see subsections (5) and (6)).
- (5) But if WRA thinks that the requested amount exceeds the deferrable amount it may nevertheless grant the deferral request in relation to so much of the requested amount as does not exceed the deferrable amount.
- (6) When agreeing to a deferral request WRA—
- (a) must determine the amount of tax it agrees to defer (the “deferred amount”);
 - (b) must determine the expected end date of the deferral period (that may be different to the expected end date proposed by the buyer) (see subsection (8));
 - (c) may impose such conditions (including conditions requiring the buyer to make payments of part of the deferred amount at specified times during the deferral period) as WRA thinks appropriate.
- (7) In this section, “tax avoidance arrangement” has the same meaning as in section 31.
- (8) In this Chapter—
- (a) “deferral period” means the period beginning with the filing date for the return referred to in subsection (1) and ending on the earlier of—
 - (i) the expected end date, or
 - (ii) the date on which an event mentioned in subsection (9) occurs in relation to the deferred consideration;
 - (b) “expected end date” means—
 - (i) the date on which an event mentioned in subsection (9) is expected to occur in relation to the deferred consideration, or
 - (ii) if that date cannot be predicted, the fifth anniversary of the effective date of the transaction (or, where the expected end date is changed under section 62, the fifth anniversary of the previous expected end date).
- (9) The events are—
- (a) where the deferred consideration is contingent, the date on which contingency occurs or it becomes clear that it will not occur;
 - (b) where the deferred consideration is uncertain, the date on which the consideration becomes ascertained.