

Changes to legislation: There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, SCHEDULE 4A. (See end of Document for details)

[^{F1}SCHEDULE 4A
(introduced by section 27)

FIRST-TIME BUYER RELIEF

Textual Amendments

- F1** Sch. 4A inserted (30.6.2018) by The Land and Buildings Transaction Tax (First-Time Buyer Relief) (Scotland) Order 2018 (S.S.I. 2018/221), art. 1(1), **sch.** (with art. 6)

Eligibility for relief

1. (1) Relief may be claimed in respect of any chargeable transaction if—
 - (a) it is an acquisition of a major interest in land (see section 60),
 - (b) the land consists entirely of residential property and includes a dwelling,
 - (c) the buyer, or (if more than one) each of the buyers, is a first-time buyer who intends to occupy the dwelling as the buyer’s only or main residence,
 - (d) the transaction is not one of a number of linked transactions, and
 - (e) the transaction is not one to which schedule 2A (additional amount: transactions relating to second homes etc.) applies.
- (2) Sub-paragraph (1)(d) does not apply if the main subject-matter of the other linked transaction is land referred to in paragraphs 26 or 27 of schedule 5 (multiple dwellings relief: what counts as a dwelling) and the dwelling referred to in those paragraphs is the dwelling mentioned in sub-paragraph (1)(b).
- (3) Where there is a linked transaction (not subject to the exception in sub-paragraph (2)) following relief being claimed under this paragraph, the relief is withdrawn.

Meaning of first-time buyer

2. In this schedule “first-time buyer” means a person who—
 - (a) has not previously been a buyer in relation to an acquisition of a major interest in land which consisted of residential property including a dwelling, and
 - (b) has not previously acquired an interest in a dwelling situated outside Scotland that is equivalent to the interest of a buyer referred to in sub-paragraph (a).

Relief from the tax

3. The relief consists in the tax not being chargeable in respect of the first £175,000 of consideration payable in respect of any chargeable transaction.

Eligibility for relief: alternative finance arrangements

4. (1) This paragraph applies in relation to a land transaction if—
 - (a) it is or was an acquisition of a major interest in land,
 - (b) the land consists entirely of residential property and includes a dwelling, and
 - (c) it is or was the first transaction under an alternative finance arrangement entered into between a person and a financial institution.

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- (2) The person (rather than the institution) is to be treated as the buyer in relation to the transaction for the purposes of paragraphs 1(c) and 2(a) and (b).
- (3) In this paragraph—
 - “alternative finance arrangement” means an arrangement of a kind mentioned in paragraph 2 or 13 of schedule 7 (alternative property finance relief),
 - “financial institution” has the meaning it has in those paragraphs (see paragraph 25 of schedule 7), and
 - “first transaction”, in relation to an alternative finance arrangement, has the meaning given in paragraph 2(a) or (as the case may be) paragraph 13(a)(i) of schedule 7.

Deemed ownership: beneficiaries under certain trusts

- 5. (1) This paragraph applies where a person is or was the beneficiary under—
 - (a) a bare trust in which the trust property includes or included a major interest in a dwelling, or
 - (b) a settlement under the terms of which the beneficiary has or had a relevant interest in any dwelling that is or was part of the trust property.
- (2) For the purposes of this schedule, the beneficiary is to be treated as being or having been the buyer or acquirer of the dwelling.
- (3) For the purposes of this paragraph, a beneficiary under a settlement has or had a relevant interest in a dwelling that is or was part of the trust property if the beneficiary is or was entitled to—
 - (a) occupy the dwelling for life, or
 - (b) income (whether net or gross) in respect of the dwelling.
- (4) In this paragraph—
 - “bare trust” has the meaning given in paragraph 19 of schedule 18 (trusts), and
 - “settlement” has the meaning given in paragraph 21 of schedule 18.

Dwellings owned by trustees or personal representatives

- 6. (1) This paragraph applies where a person has or had a major interest in a dwelling as—
 - (a) a trustee, or
 - (b) a personal representative of another.
- (2) For the purposes of this schedule, the person is to be treated as not being or having been the buyer or acquirer of the interest.

Interpretation

- 7. (1) In this schedule “major interest” does not include the tenant’s interest in a private residential tenancy regulated by statute under the Rent (Scotland) Act 1984, the Housing (Scotland) Act 1988 or the Private Housing (Tenancies) (Scotland) Act 2016.
- (2) Part 6 of schedule 5 (what counts as a “dwelling”) applies for the purposes of this schedule as it applies for the purposes of schedule 5.]

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