

SCHEDULE 7
ALTERNATIVE PROPERTY FINANCE RELIEF

PART 2

ALTERNATIVE PROPERTY FINANCE: ARRANGEMENTS RELIEVED

Land sold to financial institution and person in common

- 7 Paragraphs 8 to 12 apply where arrangements are entered into between a person and a financial institution under which—
- (a) the institution and the person purchase a major interest in land as common owners (“the first transaction”),
 - (b) the institution and the person enter into an agreement under which the person has a right to occupy the land exclusively (“the second transaction”), and
 - (c) the institution and the person enter into an agreement under which the person has a right to require the institution to transfer to the person (in one transaction or a series of transactions) the whole interest purchased under the first transaction.

Commencement Information

II Sch. 7 para. 7 in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

- 8 The first transaction is exempt from charge if the seller is—
- (a) the person, or
 - (b) another financial institution by whom the interest was acquired under arrangements of the kind mentioned in paragraph 7 entered into between it and the person.

Commencement Information

I2 Sch. 7 para. 8 in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

- 9 The second transaction is exempt from charge if the provisions of this Act relating to the first transaction are complied with (including payment of any tax chargeable).

Commencement Information

I3 Sch. 7 para. 9 in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

- 10 Any transfer to the person that results from the exercise of the right mentioned in paragraph 7(c) (“a further transaction”) is exempt from charge if—
- (a) the provisions of this Act relating to the first transaction are complied with, and
 - (b) at all times between the first and the further transaction—
 - (i) the interest purchased under the first transaction is held by a financial institution and the person as common owners, and

Changes to legislation: There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, Cross Heading: Land sold to financial institution and person in common. (See end of Document for details)

- (ii) the land is occupied by the person under the agreement mentioned in paragraph 7(b).

Commencement Information

I4 Sch. 7 para. 10 in force at 1.4.2015 by [S.S.I. 2015/108](#) , [art. 2](#)

- 11 The agreement mentioned in paragraph 7(c) is not to be treated—
- (a) as substantially performed unless and until the whole interest purchased by the institution under the first transaction has been transferred (and accordingly section 14 does not apply), or
 - (b) as a distinct land transaction by virtue of section 12 (options and rights of pre-emption).

Commencement Information

I5 Sch. 7 para. 11 in force at 1.4.2015 by [S.S.I. 2015/108](#) , [art. 2](#)

- 12 A further transaction that is exempt from charge by virtue of paragraph 10 is not a notifiable transaction unless the transaction involves the transfer to the person of the whole interest purchased by the institution under the first transaction, so far as not transferred by a previous further transaction.

Commencement Information

I6 Sch. 7 para. 12 in force at 1.4.2015 by [S.S.I. 2015/108](#) , [art. 2](#)

Changes to legislation:

There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, Cross Heading: Land sold to financial institution and person in common.