



# Finance Act 1981

## 1981 CHAPTER 35

### PART IX

#### DEVELOPMENT LAND TAX

#### **129 Residential development of land held as stock in trade**

(1) Section 5 of the Development Land Tax Act 1976 (relevant base value) shall have effect with the following amendments.

(2) In subsection (1)(c) (base C) after the words "115 per cent." there shall be inserted the words " or in a case in which subsection (5A) below applies 150 per cent. ".

(3) After subsection (5) there shall be inserted—

“(5A) This subsection applies where on or after 10th March 1981 there is a deemed disposal of an interest in land held by the chargeable person as stock in trade and the project of material development which gives rise to the deemed disposal consists wholly or mainly of the construction or adaptation of a building or buildings for use as one or more private dwellings; and for the purposes of this subsection an interest in land is held by a chargeable person as stock in trade if, had he sold that interest on the date of the deemed disposal, the proceeds of the sale would have been taken into account in computing the profits or gains of a trade carried on by him.

(5B) In subsection (5A) above " dwelling" has, in England and Wales and in Northern Ireland, the meaning assigned to it by subsection (1) of section 129 of the Housing Act 1974 and, in Scotland, means a house within the meaning of section 208(1) of the Housing (Scotland) Act 1966.”

(4) For paragraph (ii) of subsection (6) there shall be substituted—

“(ii) for paragraph (c) there were substituted—

“(c) the aggregate of the cost of the chargeable person's acquisition of the interest and

---

*Status: This is the original version (as it was originally enacted).*

---

115 per cent, of any expenditure on  
improvements”.”.

(5) This section has effect in relation to any disposal after 9th March 1981.