
Changes to legislation: There are currently no known outstanding effects for the Stamp Duty Land Tax Act 2015, Cross Heading: Reliefs. (See end of Document for details)

SCHEDULE

CONSEQUENTIAL AMENDMENTS

Reliefs

- 2 (1) Section 74 (exercise of collective rights by tenants of flats) is amended as follows.
- (2) In subsection (1A)—
- (a) in the opening words, for “rate” substitute “ amount ”,
 - (b) in Step 2—
 - (i) for “rate of tax and the” substitute “ amount of ”, and
 - (ii) for “subsections (2) and (3)” substitute “ subsection (1B) ”,
 - (c) in Step 3—
 - (i) for “rate of tax and the” substitute “ amount of ”, and
 - (ii) for “subsections (2) and (3)” substitute “ subsection (1B) ”, and
 - (d) in Step 4 for “subsections (2) and (3) do” substitute “ subsection (1B) does ”.
- (3) For subsections (2) and (3) substitute—
- “(1B) Where step 2 or 3 of subsection (1A) requires the amount of tax chargeable to be determined in accordance with this subsection, it is determined as follows.
- Step 1* Determine the amount of tax chargeable under section 55 as if the relevant consideration for the chargeable transaction were the fraction of the relevant consideration calculated under step 1 of subsection (1A).
- Step 2* Multiply the amount determined at step 1 by the number of qualifying flats contained in the premises.”
- 3 In section 75 (crofting community right to buy) for subsections (2) and (3) substitute
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- “(1A) In that case, the amount of tax is determined as follows—
- Step 1* Determine the amount of tax chargeable under section 55 as if the relevant consideration for the chargeable transaction were the fraction of the relevant consideration produced by dividing the total amount of that consideration by the number of crofts being bought.
- Step 2* Multiply the amount determined at step 1 by the number of crofts being bought under that transaction.”
- 4 (1) In section 80(2) (requirement to make return where contingency ceases, or consideration is ascertained, and tax or additional tax is payable etc)—
- (a) in the opening words, after “before” insert “ (calculated in either case according to the effective date of the transaction) ”, and
 - (b) omit paragraph (c), but not the “and” at the end.
- (2) In section 80(4) (cases where less tax payable) after “in respect of a transaction” insert “ (calculated according to its effective date) ”.
- 5 In section 81ZA(1)(c) (alternative finance arrangements: additional tax where reliefs withdrawn to be calculated by reference to effective date) for “by reference to the rates in force at” substitute “ according to ”.

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- 6 In section 81A(1) (requirement to make return in consequence of later linked transactions where tax or additional tax is payable etc)—
- (a) in the opening words, after “before” insert “ (calculated in either case according to the effective date of the earlier transaction) ”, and
 - (b) omit paragraph (c), but not the “and” at the end.

- 7 (1) Schedule 6B (transfers involving multiple dwellings) is amended as follows.

- (2) For paragraph 4(1) substitute—

“(1) If relief under this Schedule is claimed for a relevant transaction, the amount of tax chargeable in respect of the transaction is the sum of—

- (a) the tax related to the consideration attributable to dwellings (see paragraph 5(1) and (2)), and
- (b) the tax related to the remaining consideration (if any) (see paragraph 5(7)).”

- (3) Omit paragraph 4(4).

- (4) For the italic heading before paragraph 5 substitute “ The amount of tax chargeable ”.

- (5) For paragraph 5(1) and (2) substitute—

“(1) For the purposes of paragraph 4(1)(a), “the tax related to the consideration attributable to dwellings” is determined as follows—

Step 1 Determine the amount of tax that would be chargeable under section 55 on the assumption that—

- (a) the relevant land consisted entirely of residential property, and
- (b) the relevant consideration were the fraction produced by dividing total dwellings consideration by total dwellings.

Step 2 Multiply the amount determined at Step 1 by total dwellings.

Step 3 If the relevant transaction is one of a number of linked transactions, go to Step 4. Otherwise, the amount found at Step 2 is the tax related to the consideration attributable to dwellings.

Step 4 Multiply the amount found at Step 2 by—

$$\frac{CD}{TDC}$$

where—

“CD” is the consideration attributable to dwellings for the relevant transaction, and

“TDC” is total dwellings consideration.

- (2) But if the amount found at Step 2 of sub-paragraph (1) is less than 1% of total dwellings consideration, for the purposes of paragraph 4(1)(a) “the tax related to the consideration attributable to dwellings” is an amount equal to 1% of the consideration attributable to dwellings.”

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(6) For paragraph 5(7) substitute—

“(7) For the purposes of paragraph 4(1)(b), “the tax related to the remaining consideration” is the appropriate fraction of the amount of tax which (but for this Schedule) would be due in respect of the relevant transaction.

(8) In subsection (7) “the appropriate fraction” means—

$$\frac{\text{RC}}{\text{TDC} + \text{TRC}}$$

where—

“RC” is the remaining consideration for the relevant transaction,

“TDC” is total dwellings consideration, and

“TRC” is total remaining consideration.

(9) For a transaction that is not one of a number of linked transactions, “total remaining consideration” is the remaining consideration for that transaction (see paragraph 4(3)).

(10) For one of a number of linked transactions, “total remaining consideration” is—

- (a) the total of the chargeable consideration for all those transactions, less
- (b) total dwellings consideration.”

(7) In paragraph 6(1) (change of circumstances after relief given) for paragraph (c) substitute—

“(c) had the event occurred immediately before the effective date of the transaction, more tax (calculated according to the effective date of the transaction) would have been payable, whether because the transaction would not have been a relevant transaction or otherwise.”

(8) In paragraph 6(3) (requirement to make return where more tax payable than was paid) omit paragraph (c), but not the “and” at the end.

8 In paragraph 8(1) of Schedule 7 (acquisition relief)—

- (a) for “rate” substitute “ amount ”, and
- (b) for “0.5%” substitute “ an amount equal to 0.5% of the chargeable consideration for the transaction ”.

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