



Finance Act 2020

2020 CHAPTER 14

PART 3

OTHER TAXES

Stamp duty land tax

76 Exceptional circumstances preventing disposal of interest in three year period

(1) In FA 2003, Schedule 4ZA (stamp duty land tax: higher rates for additional dwellings etc) is amended as follows.

(2) In paragraph 3 (single dwelling transactions)—

- (a) in sub-paragraph (7)(b) for “the period of three years beginning with the day after the effective date of the transaction concerned” substitute “a permitted period”;
- (b) after sub-paragraph (7) insert—

“(7A) For the purposes of sub-paragraph (7)(b), the permitted periods are—

- (a) the period of three years beginning with the day after the effective date of the transaction concerned, or
- (b) if HMRC are satisfied that the purchaser or the purchaser’s spouse or civil partner would have disposed of the major interest in the sold dwelling within that three year period but was prevented from doing so by exceptional circumstances that could not reasonably have been foreseen, such longer period as HMRC may allow in response to an application made in accordance with sub-paragraph (7B).

(7B) An application for the purposes of sub-paragraph (7A)(b) must—

Status: This is the original version (as it was originally enacted).

- (a) be made within the period of 12 months beginning with the effective date of the transaction disposing of the major interest in the sold dwelling, and
 - (b) be made in such form and manner, and contain such information, as may be specified by HMRC.
- (7C) Schedule 11A (claims not included in returns) does not apply in relation to an application made in accordance with sub-paragraph (7B).”
- (3) In paragraph 8 (further provision in connection with paragraph 3(6) and (7))—
 - (a) in sub-paragraph (3), after “paragraph 3(7)” insert “by virtue of paragraph 3(7A)(a)”;
 - (b) in sub-paragraph (4), after “paragraph 3(7)” insert “by virtue of paragraph 3(7A)(a)”;
 - (c) after sub-paragraph (4) insert—
 - “(5) Where HMRC grant an application made in accordance with paragraph 3(7B)—
 - (a) the land transaction return in respect of the transaction concerned is treated as having been amended to take account of the application of paragraph 3(7) by virtue of paragraph 3(7A)(b), and
 - (b) HMRC must notify the purchaser accordingly.”
- (4) The amendments made by this section have effect in a case where the effective date of the transaction concerned is on or after 1 January 2017.