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STATUTORY INSTRUMENTS

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**1995 No. 1981**

**LOCAL GOVERNMENT, ENGLAND AND WALES**

**The Local Authorities (Payment of  
Levy on Disposals) Regulations 1995**

<i>Made</i>	- - - -	<i>25th July 1995</i>
<i>Laid before Parliament</i>		<i>2nd August 1995</i>
<i>Coming into force</i>	- -	<i>24th August 1995</i>

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by section 136(9) of the Leasehold Reform, Housing and Urban Development Act 1993(1) and of all other powers enabling them in that behalf, hereby make the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Local Authorities (Payment of Levy on Disposals) Regulations 1995 and shall come into force on 24th August 1995.

(2) In these Regulations “the Act” means the Leasehold Reform, Housing and Urban Development Act 1993.

**Levy on disposals of dwelling-houses**

2.—(1) The amounts which may by virtue of subsection (8) of section 136 of the Act be applied as mentioned in that subsection shall not exceed the relevant percentage of the levy concerned.

(2) In paragraph (1) above, “relevant percentage” means either—

- (a) the percentage of the aggregate amount “CR” defined in section 136(3) of the Act which is set aside by the authority as provision to meet credit liabilities in accordance with section 59(1) and section 61(4) of the Local Government and Housing Act 1989(2), or
- (b) where the percentage mentioned in sub-paragraph (a) above is nil, 1 per cent.

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(1) 1993 c. 28.  
(2) 1989 c. 42.

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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Signed by authority of the Secretary of State for the Environment

24th July 1995

*David Curry*  
Minister of State,  
Department of the Environment

Signed by authority of the Secretary of State for Wales

25th July 1995

*Gwilym Jones*  
Parliamentary Under-Secretary of State, Welsh  
Office

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Under section 136 of the Leasehold Reform, Housing and Urban Development Act 1993 a local authority is required to pay a levy in respect of a disposal of dwelling-houses which is a qualifying disposal for the purposes of that section, and may apply amounts set aside as provision to meet credit liabilities (“PCL”) to meet any liability for such a levy (other than a liability for interest). These Regulations provide that the amounts which may be applied for this purpose shall not exceed a specified percentage of the levy concerned, namely the percentage of the consideration for the qualifying disposal which was set aside as PCL, or, where nothing was set aside, 1 per cent.