

*These notes refer to the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (c.1) which received Royal Assent on 24 May 2017*

# **LAND TRANSACTION TAX AND ANTI-AVOIDANCE OF DEVOLVED TAXES (WALES) ACT 2017**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 2 – the Tax and Key Concepts**

##### ***Section 21 - Annuities***

33. Where chargeable consideration consists of an annuity, payable for life, in perpetuity, for an indefinite period or for a period exceeding 12 years, the chargeable consideration is limited to twelve annual payments or, where the annual payments vary, the twelve highest payments, starting from the effective date of the transaction. Subsection (5) defines “annual payments”. No account is taken of any provision adjusting the amounts in line with inflation. Where the amounts payable under the annuity are contingent, the uncertain or unascertained rules in sections 19 and 20 apply.