

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

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 8 – Interpretation and Final Provisions

Schedule 14 – Relief for certain acquisitions of dwellings

Part 2 - Relief for certain acquisitions of dwellings

332. [Paragraph 2](#) makes provision for full and partial relief from LTT for an acquisition by a housebuilder of an individual’s old dwelling where the individual is also acquiring a new dwelling from the housebuilder.
333. [Paragraph 3](#) of the Schedule provides for full and partial relief from LTT for the acquisition of an individual’s old dwelling by a property trader where that individual acquires a new dwelling from a housebuilder.
334. [Paragraph 4](#) makes provision for full and partial relief from LTT in respect of acquisitions by a property trader (who is in business to make such acquisitions) of an individual’s old dwelling where a chain of transactions involving the individual selling their old dwelling and acquiring a new one breaks down.
335. [Paragraph 5](#) makes provision for full and partial relief for the acquisition by a property trader of a dwelling from the personal representatives of a deceased individual.
336. [Paragraph 6](#) sets out the rules for the provision of full and partial relief for the acquisition by a property trader of an individual’s dwelling in connection with a change of residence by the individual due to relocating for employment purposes.
337. [Paragraph 7](#) provides for full and partial relief where an acquisition is made by an individual’s employer of the individual’s dwelling in connection with a change of residence by the individual resulting from their relocation of employment.
338. In each the above cases, to qualify for the relief certain conditions have to be met. Land must be within the “permitted area” to qualify for full relief. Where the area of land acquired exceeds the permitted area, partial relief may be claimed. This is calculated by determining the chargeable consideration relating to the “excessive area”, by deducting the market value of the permitted area from the market value of the dwelling.
339. [Paragraph 8](#) sets out the circumstances under which the reliefs provided for in this Schedule are withdrawn. Broadly, these are where the conditions for claiming the relief are no longer satisfied. Where relief is withdrawn, the amount of LTT chargeable is the amount that would have been chargeable in the absence of the relief.

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

340. [Paragraph 9](#) defines the key terms used in this Schedule. In particular, a “property trader” must be a company or limited liability partnership (“LLP”) or a partnership all of whose members are companies or LLPs that carries on the business of buying and selling dwellings.