

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

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 8 – Interpretation and Final Provisions**

##### *Schedule 3 - Transactions exempt from charge*

164. This Schedule sets out that certain persons or land transactions are exempt from LTT. A transaction that is exempt from charge is outside the scope of the tax and does not need to be notified to the Welsh Revenue Authority (WRA). Other land transactions may be relieved from charge under different provisions provided for in this Act. However, they are still within the scope of the tax and therefore, any such transactions must comply with the rules set out in the legislation regarding notification. Where a land transaction is exempt under this Schedule no land transaction return is required.

#### **No chargeable consideration**

165. [Paragraph 1](#) provides that land transactions for which there is no chargeable consideration are exempt from LTT. However, this is subject to provisions across the Act which deem the consideration for certain transactions to have been its market value. (See for example section 23 which states that transactions under that section are not to be treated as though there is no chargeable consideration.)

#### **Acquisitions by the Crown**

166. [Paragraph 2](#) lists those Crown bodies that are exempt from charge under LTT, they include; the Welsh Ministers, Ministers of the Crown and other central and devolved government bodies.

#### **Transactions in connection with divorce or the dissolution of civil partnership etc.**

167. [Paragraphs 3](#) and [4](#) respectively provide that transactions effected in pursuance of divorce proceedings, proceedings for dissolution of a civil partnership, or in other similar proceedings or in connection with such proceedings are exempt from charge.

#### **Assents and appropriations by personal representatives and variation of testamentary dispositions etc.**

168. [Paragraphs 5](#) and [6](#) exempt from LTT a transaction if it is effected in accordance with any entitlement under or in relation to a will, or the variation of testamentary dispositions, but subject to the additional conditions listed.

*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*

**Power to add, remove or vary exemptions**

169. [Paragraph 7](#) provides that regulations may amend this Schedule, so as to add to the list of exemptions, remove any exemption or modify any exemption.