

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

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 8 – Interpretation and Final Provisions

Schedule 5 - Higher rates residential property transactions

Part 6 - Interpretation

225. [Paragraph 35](#) sets out the rules that apply in establishing whether a buyer holds a major interest in a dwelling located outside Wales. This will include any such dwelling that would be a dwelling for SDLT purposes in England. Outside England and Wales it will be any dwelling that meets equivalent ownership rules. Where it is a child that owns the major interest in a dwelling outside Wales then that child's parent (and their spouse or civil partner) are deemed to own the interest (unless they are not living together).
226. [Paragraph 35\(7\)](#) dis-applies the effect of paragraph 35(5) in circumstances where an incapacitated child's interest is acquired, held on trust, or disposed of, by a deputy appointed under the Mental Capacity Act 2005 (or a person acting in an equivalent capacity outside Wales and England), in relation to interests held outside Wales.
227. [Paragraph 36](#) sets out what is a dwelling for the purposes of the Schedule. It includes a building or part of a building that is used or suitable for use as a dwelling or is in the process of being constructed or adapted for use as a dwelling. It will also include any dwelling to be constructed or adapted under contract for use as a dwelling.
228. [Paragraph 37](#) makes it clear that a major interest for the purposes of this schedule does not include a lease granted for less than 7 years.