



Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017

2017 anaw 1

PART 6

RETURNS AND PAYMENTS

CHAPTER 1

RETURNS

Adjustments

47 Contingency ceases or consideration is ascertained: duty to make return

- (1) The buyer in a land transaction must make a return to WRA if—
- (a) section 19 or 20 (contingent, uncertain or unascertained consideration) applies in relation to the transaction, or to any transaction in relation to which the transaction is a linked transaction,
 - (b) an event mentioned in subsection (2) occurs, and
 - (c) the effect of the event is that—
 - (i) the transaction becomes notifiable,
 - (ii) additional tax is payable in respect of the transaction, or
 - (iii) tax is payable in respect of the transaction where none was payable.
- (2) The events are—
- (a) in the case of contingent consideration, the contingency occurs or it becomes clear that it will not occur, or
 - (b) in the case of uncertain or unascertained consideration, an amount relevant to the calculation of the consideration, or any instalment of consideration, becomes ascertained.

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- (3) A return made under this section must—
- (a) be made before the end of the period of 30 days beginning with the day after the day on which the event mentioned in subsection (2) occurred, and
 - (b) include a self-assessment.
- (4) Despite section 157(3) of TCMA (late payment interest), the late payment interest start date in relation to an amount—
- (a) stated in a return made under this section as the tax payable,
 - (b) payable as a result of an amendment or correction to such a return,
 - (c) payable as a result of an assessment made in addition to such a return, or
 - (d) payable as a result of a determination or an assessment made in place of such a return,
- is the day after the end of the period of 30 days beginning with the day after the effective date of the transaction (and Chapter 1 of Part 6 of that Act is to be read accordingly).
- (5) The Welsh Ministers may by regulations amend subsection (4) so as to substitute for the period for the time being specified there, a different period.
- (6) This section does not apply in so far as the chargeable consideration consists of—
- (a) rent (see Schedule 6);
 - (b) an annuity to which section 21 applies.

48 Contingency ceases or consideration ascertained: repayment of tax

- (1) Subsection (2) applies in relation to a land transaction if—
- (a) section 19 or 20 (contingent, uncertain or unascertained consideration) applies in relation to the transaction, or to any transaction in relation to which the transaction is a linked transaction,
 - (b) an event mentioned in section 47(2) occurs (“the relevant event”), and
 - (c) the effect of the relevant event is that there is less tax payable in respect of the transaction than the buyer has already paid in accordance with the return made for the transaction (“the land transaction return”).
- (2) In order to obtain a repayment of the amount of tax overpaid, the buyer in the land transaction may—
- (a) within the period allowed for amendment of the land transaction return, amend the return accordingly (see section 41 of TCMA);
 - (b) after the end of that period (if the return is not so amended), make a claim for repayment of the amount overpaid in accordance with Chapter 7 of Part 3 of TCMA as modified by subsection (3).
- (3) In its application to a claim to which subsection (2)(b) applies, Chapter 7 of Part 3 of TCMA applies as if for section 78 there were substituted—

“78 Time limit for making claims

A claim under section 63 to which section 48(2)(b) of LTTA applies must be made before the later of the end of—

- (a) the period of 4 years beginning with the day after the filing date for the tax return to which the land transaction tax already paid relates, or

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- (b) the period of 12 months beginning with the relevant event (within the meaning given in section 48(1)(b) of LTTA).”
- (4) But where the transaction (“the relevant transaction”) is the grant or assignment of a lease, no claim may be made under subsection (2)—
- (a) in respect of the repayment (in whole or in part) of any loan or deposit that is treated by virtue of paragraph 19 of Schedule 6 as being consideration given for the relevant transaction, or
 - (b) in respect of the refund of any of the consideration given for the relevant transaction, in a case where the refund—
 - (i) is made under arrangements that were made in connection with the relevant transaction, and
 - (ii) is contingent on the termination or assignment of the lease or on the grant of a chargeable interest out of the lease.
- (5) This section does not apply—
- (a) so far as the consideration consists of rent (see Schedule 6);
 - (b) where section 21 (annuities) applies.

49 Further return where relief is withdrawn

- (1) The buyer in a land transaction must make a further return to WRA if relief is withdrawn to any extent under—
- (a) Schedule 11 (alternative finance investment bonds);
 - (b) Schedule 14 (relief for certain acquisitions of residential property);
 - (c) Schedule 16 (group relief);
 - (d) Schedule 17 (reconstruction or acquisition relief);
 - (e) Schedule 18 (charities relief).
- (2) A return made under this section must—
- (a) be made before the end of the period of 30 days beginning with the day after the day on which the disqualifying event occurred, and
 - (b) include a self-assessment.
- (3) The disqualifying event is—
- (a) in relation to the withdrawal of relief under Schedule 11, an event mentioned in paragraph 14 of that Schedule;
 - (b) in relation to the withdrawal of relief for certain acquisitions of residential property under Schedule 14, an event mentioned in paragraph 8(1), (3) or (4) of that Schedule;
 - (c) in relation to the withdrawal of group relief under Schedule 16, the buyer ceasing to be a member of the same group as the seller within the meaning of that Schedule;
 - (d) in relation to the withdrawal of reconstruction relief or acquisition relief under Schedule 17, an event mentioned in paragraph 5(2) or 7(2) or (3) of that Schedule;
 - (e) in relation to the withdrawal of charities relief under Schedule 18, a disqualifying event as defined in paragraph 2(4), 5(2) or 8(2) of that Schedule.
- (4) Despite section 157(3) of TCMA (late payment interest), the late payment interest start date in relation to an amount—

- (a) stated in a return made under subsection (1)(a) as the tax payable,
- (b) payable as a result of an amendment or correction to such a return,
- (c) payable as a result of an assessment made in addition to such a return, or
- (d) payable as a result of a determination or an assessment made in place of such a return,

is the day after the end of the period of 30 days beginning with the day after the effective date of the first transaction (and Chapter 1 of Part 6 of that Act is to be read accordingly).

- (5) The Welsh Ministers may by regulations amend subsection (4) so as to substitute for the period for the time being specified there, a different period.

50 Single return in respect of linked transactions with same effective date

- (1) Where there are two or more linked transactions with the same effective date the buyer, or all of the buyers if there is more than one, may make a single return as if all of those transactions were a single notifiable transaction.
- (2) Where two or more buyers make a single return in respect of linked transactions, sections 37 to 40 apply as if—
 - (a) the transactions in question were a single transaction, and
 - (b) those buyers were buyers acting jointly.

51 Return as a result of later linked transaction

- (1) This section applies where the effect of a transaction (“the later transaction”) that is linked to an earlier transaction is that—
 - (a) the earlier transaction becomes notifiable,
 - (b) additional tax is chargeable in respect of the earlier transaction, or
 - (c) tax is chargeable in respect of the earlier transaction where none was chargeable before.
- (2) The buyer in the earlier transaction must make a return in respect of that transaction.
- (3) A return made under this section must—
 - (a) be made before the end of the period of 30 days beginning with the day after the effective date of the later transaction, and
 - (b) include a self-assessment.
- (4) This section does not affect any requirement to make a return in respect of the later transaction.

52 Power to amend period in which returns must be made

- (1) The Welsh Ministers may by regulations amend a provision listed in subsection (2) so as to substitute for the period for the time being specified there, a different period.
- (2) The provisions are—
 - (a) section 44(2)(a);
 - (b) section 47(3)(a);
 - (c) section 49(2)(a);
 - (d) section 51(3)(a);

- (e) paragraph 24(4)(a) of Schedule 5;
- (f) paragraph 3(4) of Schedule 6;
- (g) paragraph 5(5) of that Schedule;
- (h) paragraph 13(1) of that Schedule.