

SCHEDULE 14

RELIEF FOR CERTAIN ACQUISITIONS OF DWELLINGS

PART 3

RELIEF FOR PERSONS EXERCISING COLLECTIVE RIGHTS

Relief for transactions entered into by persons exercising collective rights

- 10 (1) This paragraph applies where a chargeable transaction is entered into by a person or persons nominated or appointed by qualifying tenants of flats contained in premises in exercise of—
- (a) a right under Part 1 of the [Landlord and Tenant Act 1987 \(c. 31\)](#) (right of first refusal), or
 - (b) a right under Chapter 1 of Part 1 of the [Leasehold Reform, Housing and Urban Development Act 1993 \(c. 28\)](#) (right to collective enfranchisement).
- (2) The amount of tax chargeable is determined as follows.
- Step 1*
- Determine the fraction of the chargeable consideration produced by dividing the total amount of that consideration by the number of qualifying flats contained in the premises.
- Step 2*
- Determine the amount of tax chargeable under section 27 as if the chargeable consideration for the chargeable transaction were the fraction of the chargeable consideration calculated under Step 1.
- Step 3*
- Multiply the amount determined at Step 2 by the number of qualifying flats contained in the premises.
- (3) In this paragraph—
- (a) “flat” and “qualifying tenant” have the same meaning as in the Chapter or the Part of the Act conferring the right being exercised;
 - (b) “qualifying flat” means a flat that is held by a qualifying tenant who is participating in the exercise of the right.