

## SCHEDULE 15

### RELIEF FOR CERTAIN TRANSACTIONS RELATING TO SOCIAL HOUSING

#### PART 3

##### SHARED OWNERSHIP LEASES

###### *Shared ownership lease: staircasing transactions*

- 6 (1) This paragraph applies where under a shared ownership lease—
- (a) the tenant has the right, on the payment of a sum, to require the terms of the lease to be varied so that the rent payable under it is reduced, and
  - (b) by exercising that right the tenant acquires an interest, additional to one already held, calculated by reference to the market value of the dwelling and expressed as a percentage of that dwelling or its value (a “share of the dwelling”).
- (2) Where this paragraph applies, the acquisition is relieved from tax if—
- (a) an election was made under paragraph 3 (shared ownership lease: election for market value treatment) or paragraph 5 (shared ownership lease: election where staircasing allowed) and any tax chargeable in respect of the grant of the lease has been paid, or
  - (b) immediately after the acquisition the total share of the dwelling held by the tenant does not exceed 80%.
- (3) Section 70 (meaning of market value) does not apply in relation to the references in this paragraph to the market value of the dwelling.