

SCHEDULE 6

LEASES

PART 3

RENT AND OTHER CONSIDERATION

Adjustment of tax where rent determined on reconsideration date

- 12 (1) Where, in the case of a land transaction relating to a lease—
- (a) section 19 or 20 (contingent, uncertain or unascertained consideration) applies to the land transaction by virtue of paragraph 10, and
 - (b) the reconsideration date is reached,
- the buyer in the transaction must, on the reconsideration date, determine the rent paid or payable in respect of the first 5 years of the term of the lease.
- (2) Paragraphs 13 and 14 make provision for the adjustment of tax payable in respect of a land transaction (and of any transaction linked to such a transaction) as a result of such a determination.
- (3) For the purposes of this paragraph and paragraphs 13 and 14, the reconsideration date is —
- (a) the date falling at the end of the fifth year of the term of the lease, or
 - (b) any earlier date on which the amount of rent payable in respect of the first 5 years of the term of the lease ceases to be uncertain.
- (4) For the purposes of sub-paragraph (3)(b) and paragraph 13(2), the amount of rent payable ceases to be uncertain when—
- (a) in the case of contingent rent, the contingency occurs or it becomes clear that it will not occur;
 - (b) in the case of uncertain or unascertained rent, the amount becomes ascertained.