

## SCHEDULE 6

### LEASES

#### PART 5

#### CALCULATION OF TAX CHARGEABLE

##### *Calculation of tax chargeable in respect of rent: non-residential and mixed leases*

29 In the case of the acquisition of a non-residential lease or mixed lease, the amount of tax chargeable on so much of the chargeable consideration as consists of rent is to be calculated as follows (unless paragraph 30 (linked transactions) applies).

*Step 1*

Calculate the net present value (the “NPV”) of the rent payable over the term of the lease (see paragraph 31).

*Step 2*

For each tax band applicable to the acquisition, multiply so much of the NPV as falls within the band by the tax rate for that band.

*Step 3*

Calculate the sum of the amounts reached under Step 2.

The result is the amount of tax chargeable in respect of rent.