

*These notes relate to the Land and Buildings Transaction Tax (Scotland)
Act 2013 (asp 11) which received Royal Assent on 31 July 2013*

LAND AND BUILDINGS TRANSACTION TAX (SCOTLAND) ACT 2013

EXPLANATORY NOTES

THE ACT

Schedule 19 – Leases

Part 3 – Amount of Tax Chargeable: Consideration Other Than Rent

273. Paragraphs 8 and 9 set out the rules for calculating the tax chargeable for consideration other than rent e.g. where a premium is paid for the lease. Essentially, the provisions of the Act on chargeable consideration generally apply for the purposes of calculating the tax due on consideration other than rent. Paragraph 9(2) provides that the nil rate tax band does not apply in relation to the consideration other than rent where the relevant rental is at least £1,000. Paragraph 9(3) provides for the conditions that must pertain for sub-paragraphs (4) and (5) to apply. Sub-paragraph (4) provides for the determination of the tax chargeable in respect of transactions that are linked and sub-paragraph (5) provides that the apportionment of the chargeable consideration between the linked transactions should be carried out on a just and reasonable basis. Sub-paragraphs (6) and (8) define the terms “the relevant rent”, and “relevant land” respectively for this paragraph and sub-paragraph (7) defines “annual rent” for the purposes of sub-paragraph (6).