



# Land and Buildings Transaction Tax (Scotland) Act 2013

2013 asp 11

## PART 2

### KEY CONCEPTS

## CHAPTER 1

### LAND TRANSACTIONS AND CHARGEABLE INTERESTS

#### *Land transaction*

### 3 Land transaction

A land transaction is the acquisition of a chargeable interest.

#### Commencement Information

II S. 3 in force at 1.4.2015 by S.S.I. 2015/108, art. 2

#### *Chargeable interest*

### 4 Chargeable interest

- (1) A chargeable interest is an interest of a kind mentioned in subsection (2) which is not an exempt interest.
- (2) The interests are—
  - (a) a real right or other interest in or over land in Scotland, or
  - (b) the benefit of an obligation, restriction or condition affecting the value of any such right or interest.

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*Changes to legislation: There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, CHAPTER 1. (See end of Document for details)*

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- (3) In subsection (2), “land in Scotland” does not include land below mean low water mark.

**Commencement Information**

**I2** S. 4 in force at 1.4.2015 by S.S.I. 2015/108, art. 2

**5 Exempt interest**

- (1) An interest is exempt if it is a security interest.
- (2) In subsection (1) a “security interest” means a real right or other interest in or over land held for the purpose of securing the payment of money or the performance of any other obligation.
- (3) See also paragraphs 21 to 24 of schedule 7 (which make additional provision about exempt interests in relation to alternative property finance arrangements).
- (4) The Scottish Ministers may, by regulations, modify this section so as to—
- provide that a description of a real right or other interest in or over land is an exempt interest,
  - provide that a description of a real right or other interest in or over land is no longer to be an exempt interest,
  - vary a description of an exempt interest.

**Commencement Information**

**I3** S. 5 in force at 1.4.2015 by S.S.I. 2015/108, art. 2

*Acquisition and disposal of chargeable interest*

**6 Acquisition and disposal of chargeable interest**

- (1) Each of the following is an acquisition and a disposal of a chargeable interest—
- the creation of the interest,
  - the renunciation or release of the interest,
  - the variation of the interest (but not the variation of a lease).
- (2) The variation of a lease is treated as an acquisition and a disposal of a chargeable interest only where paragraph 29 of schedule 19 (reduction of rent or term or other variation of lease) applies.
- (3) A person acquires a chargeable interest where—
- the person becomes entitled to the interest on its creation,
  - the person's interest or right is benefitted or enlarged by the renunciation or release of the interest, or
  - the person benefits from the variation of the interest.
- (4) A person disposes of a chargeable interest where—
- the person's interest or right becomes subject to the interest on its creation,

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- (b) the person ceases to be entitled to the interest on its being renounced or released, or
  - (c) the person's interest or right is subject to or limited by the variation of the interest.
- (5) Except as otherwise provided, this Act applies however the acquisition is effected, whether by act of the parties, by order of a court or other authority, by or under any enactment or by operation of law.

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**Commencement Information**

**I4** [S. 6](#) in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

## 7 Buyer and seller

- (1) The buyer, in relation to a land transaction, is the person who acquires the subject-matter of the transaction.
- (2) But a person is treated as the buyer only where that person has given consideration for, or is a party to, the transaction.
- (3) The seller, in relation to a land transaction, is the person who disposes of the subject-matter of the transaction.

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**Commencement Information**

**I5** [S. 7](#) in force at 1.4.2015 by [S.S.I. 2015/108](#), [art. 2](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, CHAPTER 1.