



# Long Leases (Scotland) Act 2012

## 2012 asp 9

### PART 4

#### COMPENSATION FOR LOSS OF LANDLORD'S RIGHTS

##### *Supplementary*

#### **57 Making payment by instalments**

- (1) This section applies where an instalment document under section 45(5), 50(5) or 54(4) is served on a former tenant.
- (2) An instalment document must be—
  - (a) a filled out document in the prescribed form, and
  - (b) accompanied by a copy of the prescribed explanatory note.
- (3) Subject to subsection (4), the former tenant obtains the option of making the compensatory or (as the case may be) additional payment by instalments only if—
  - (a) the former tenant signs, dates and returns the instalment document within the period which (but for this section) is allowed for making that payment—
    - (i) in the case of a compensatory payment, under section 46, or
    - (ii) in the case of an additional payment, under section 53(2) or (as the case may be) 54(5), and
  - (b) when so returning such document, the former tenant pays to the former landlord an amount equivalent to one tenth of the payment (such amount being payable in addition to the payment and irrespective of how or when such payment is subsequently made).
- (4) If on or after the date on which an instalment document is served on the former tenant under a qualifying lease the former tenant ceases, by virtue of a sale or transfer for valuable consideration, to have right to the land in respect of which the claim for payment has been made or any part of that land then—
  - (a) where the former tenant has obtained the option mentioned in subsection (3), the former tenant loses that option and the outstanding balance of the entire payment falls due on the seventh day after the day on which the former tenant ceases to have that right, and

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*Changes to legislation: There are currently no known outstanding effects for the Long Leases (Scotland) Act 2012, Section 57. (See end of Document for details)*

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- (b) where the former tenant has not obtained that option, the former tenant loses the right to obtain it and the following apply accordingly—
- (i) in the case of a compensatory payment, section 46(2), or
  - (ii) in the case of an additional payment, section 53(2) or (as the case may be) 54(5).
- (5) Subsections (6) to (8) apply where the option of making the payment by instalments is obtained.
- (6) The instalments are to be equal instalments payable on the term days of Whitsunday and Martinmas which follow the making of the payment under subsection (3)(b).
- (7) The number of instalments is set out in the following table—

<i>Amount of compensatory or additional payment</i>	<i>Number of instalments</i>
£50 or more than £50 but no more than £500	5
More than £500 but no more than £1,000	10
More than £1,000 but no more than £1,500	15
More than £1,500	20

- (8) In a case where any instalment payable by virtue of subsections (6) and (7) remains unpaid for 42 days after falling due, the outstanding balance of the entire payment immediately falls due.
- (9) In any other case, the former tenant may pay that outstanding balance at any time.

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**Commencement Information**

**II**    [S. 57](#) in force at 28.11.2013 by [S.S.I. 2013/322](#), [art. 2\(e\)](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Long Leases (Scotland) Act 2012, Section 57.