

SCHEDULE 4
RELIEF FOR CERTAIN ACQUISITIONS OF RESIDENTIAL PROPERTY

PART 3

ACQUISITION BY PROPERTY TRADER FROM INDIVIDUAL ACQUIRING NEW DWELLING

Full relief

- 5 Where a dwelling (“the old dwelling”) is acquired by a property trader from an individual (whether alone or with other individuals), the acquisition is exempt from charge if the qualifying conditions are met.

Partial relief

- 6 Where qualifying conditions (a) to (e) but not (f) are met, the chargeable consideration for the acquisition is taken to be the amount calculated by deducting the market value of the permitted area from the market value of the old dwelling.

Qualifying conditions

- 7 In this Part of this schedule, the qualifying conditions are—
- (a) that the acquisition is made in the course of a business that consists of or includes acquiring dwellings from individuals who acquire new dwellings from house-building companies,
 - (b) that the individual (whether alone or with other individuals) acquires a new dwelling from a house-building company,
 - (c) that the individual occupied the old dwelling as the individual’s only or main residence at some time in the period of 2 years ending with the date of its acquisition,
 - (d) that the individual intends to occupy the new dwelling as the individual’s only or main residence,
 - (e) that the property trader does not intend—
 - (i) to spend more than the permitted amount on refurbishment of the old dwelling,
 - (ii) to grant a lease or licence of the old dwelling, or
 - (iii) to permit any of its principals or employees (or any person connected with any of its principals or employees) to occupy the old dwelling,and
 - (f) that the area of land acquired by the property trader does not exceed the permitted area.
- 8 Paragraph 7(e)(ii) does not apply to the grant of a lease or licence to the individual for a period of no more than 6 months.