
Changes to legislation: Finance Act 2011, SCHEDULE 22 is up to date with all changes known to be in force on or before 14 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 22

Section 83

TRANSFERS INVOLVING MULTIPLE DWELLINGS

New relief

- 1 Part 4 of FA 2003 (stamp duty land tax) is amended as follows.
- 2 After section 58C insert—

“58D Transfers involving multiple dwellings

- (1) Schedule 6B provides for relief in the case of transfers involving multiple dwellings.
 - (2) Any relief under that Schedule must be claimed in a land transaction return or an amendment of such a return.”
- 3 After Schedule 6A insert—

“SCHEDULE 6B

Section 58D

TRANSFERS INVOLVING MULTIPLE DWELLINGS

Introduction

- 1 This Schedule is arranged as follows—
 - (a) paragraph 2 identifies the transactions to which this Schedule applies,
 - (b) paragraph 3 defines key terms,
 - (c) paragraphs 4 and 5 describe the relief available if a claim is made,
 - (d) paragraph 6 provides for adjustments if circumstances change after a claim is made, and
 - (e) paragraph 7 contains rules for determining what counts as a dwelling.

Transactions to which this Schedule applies

- 2 (1) This Schedule applies to a chargeable transaction that is—
 - (a) within sub-paragraph (2) or sub-paragraph (3), and
 - (b) not excluded by sub-paragraph (4).
- (2) A transaction is within this sub-paragraph if its main subject-matter consists of—
 - (a) an interest in at least two dwellings, or
 - (b) an interest in at least two dwellings and other property.

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- (3) A transaction is within this sub-paragraph if—
- (a) its main subject-matter consists of—
 - (i) an interest in a single dwelling, or
 - (ii) an interest in a single dwelling and other property,
 - (b) it is one of a number of linked transactions, and
 - (c) the main subject-matter of at least one of the other linked transactions consists of—
 - (i) an interest in some other dwelling or dwellings, or
 - (ii) an interest in some other dwelling or dwellings and other property.
- (4) A transaction is excluded by this sub-paragraph if—
- (a) section 74 or 75 applies to it, or
 - (b) relief under Schedule 7 or Schedule 8 is available for it or would be available for it on the making of a claim or has been withdrawn from it.
- (5) A reference in this Schedule to an interest in a dwelling is to any chargeable interest in or over a dwelling.
- (6) But, in the case of a dwelling subject to a lease granted for an initial term of more than 21 years, any interest that is a superior interest in relation to the lease is to be ignored in determining whether a transaction is a relevant transaction.

Key terms

- 3 (1) A chargeable transaction to which this Schedule applies is referred to in this Schedule as a “relevant transaction”.
- (2) A relevant transaction is a “single dwelling transaction” if its main subject-matter consists of—
- (a) an interest in a single dwelling, or
 - (b) an interest in a single dwelling and other property.
- (3) In relation to such a transaction, the single dwelling is referred to as “the dwelling”.
- (4) A relevant transaction is a “multiple dwelling transaction” if its main subject-matter consists of—
- (a) an interest in at least two dwellings, or
 - (b) an interest in at least two dwellings and other property.
- (5) In relation to such a transaction, those dwellings are referred to as “the dwellings”.

The relief

- 4 (1) If relief under this Schedule is claimed for a relevant transaction, the amount of tax chargeable in respect of the transaction is—
- (a) a percentage of the consideration attributable to dwellings, plus
 - (b) a percentage of the remaining consideration (if any).

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- (2) “The consideration attributable to dwellings” is—
 - (a) for a single dwelling transaction, so much of the chargeable consideration for the transaction as is attributable to the dwelling,
 - (b) for a multiple dwelling transaction, so much of the chargeable consideration for the transaction as is attributable to the dwellings in total.
- (3) “The remaining consideration” is the chargeable consideration for the transaction less the consideration attributable to dwellings.
- (4) The percentages are determined in accordance with paragraph 5.
- (5) If the whole or part of the chargeable consideration for a relevant transaction is rent, sub-paragraph (1) has effect subject to section 56 and Schedule 5.
- (6) “Attributable” means attributable on a just and reasonable basis.

The percentages

- 5 (1) For the purposes of paragraph 4(1)(a), the percentage is the percentage that would be applied under section 55 if—
 - (a) the relevant land consisted entirely of residential property, and
 - (b) the relevant consideration were the fraction produced by dividing total dwellings consideration by total dwellings.
- (2) But if that percentage turns out to be 0%, the percentage for the purposes of paragraph 4(1)(a) is 1%.
- (3) For a transaction that is not one of a number of linked transactions, “total dwellings consideration” is the consideration attributable to dwellings for that transaction (see paragraph 4(2)).
- (4) For one of a number of linked transactions, “total dwellings consideration” is—
 - (a) the total of the consideration attributable to dwellings for that transaction and all the other linked transactions that are relevant transactions, plus
 - (b) so much of the chargeable consideration for any of the linked transactions (whether or not relevant transactions) as is not included in the calculation under paragraph (a) but is attributable to the same dwellings by reference to which that calculation is made.
- (5) “Total dwellings” is the total number of dwellings by reference to which total dwellings consideration is calculated.
- (6) In the application of sub-paragraph (1), no account is to be taken of—
 - (a) section 116(7), or
 - (b) paragraph 9A(4) of Schedule 5.
- (7) For the purposes of paragraph 4(1)(b), the percentage is the percentage that (but for this Schedule) would be applied under section 55 to the chargeable consideration for the transaction.

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Adjustment for change of circumstances

- 6 (1) This paragraph applies if—
- (a) relief under this Schedule is claimed for a relevant transaction,
 - (b) an event occurs in the relevant period, and
 - (c) had the event occurred immediately before the effective date of the transaction—
 - (i) the transaction would not have been a relevant transaction or the percentage applied by virtue of paragraph 4(1)(a) would have been higher, and
 - (ii) more tax would have been payable in respect of the transaction as a result.
- (2) If this paragraph applies, tax is chargeable on the transaction as if the event had occurred immediately before the effective date of the transaction.
- (3) In that case—
- (a) the purchaser must make a return to Her Majesty's Revenue and Customs before the end of the period of 30 days beginning with the date of the event,
 - (b) the return must contain a self-assessment of the tax chargeable in respect of the transaction on the basis of the information contained in the return,
 - (c) the tax so chargeable is to be calculated by reference to the rates in force at the effective date of the transaction, and
 - (d) the additional tax payable must be paid not later than the filing date for the return.
- (4) The provisions of section 78A and Schedule 10 apply to a return under this paragraph as they apply to a return under section 76, but with references in Schedule 10 to the effective date of the transaction being read as references to the date of the event.
- (5) “The relevant period” means the shorter of—
- (a) the period of 3 years beginning with the effective date of the transaction, and
 - (b) the period beginning with the effective date of the transaction and ending with the date on which the purchaser disposes of the dwelling, or the dwellings, to a person who is not connected with the purchaser.
- (6) In relation to a transaction effected on completion of a contract that was substantially performed before completion, sub-paragraph (5) applies as if references to the effective date of the transaction were to the date on which the contract was substantially performed.
- (7) In this paragraph—
- “completion” has the same meaning as in section 44;
 - “contract” includes any agreement (including, in the case of Scotland, missives of let not constituting a lease);
 - “event” includes any change of circumstance or change of plan;

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“substantially performed” has the same meaning as in section 44.

- (8) Section 1122 of the Corporation Tax Act 2010 (connected persons) has effect for the purposes of this paragraph.

What counts as a dwelling

- 7 (1) This paragraph sets out rules for determining what counts as a dwelling for the purposes of this Schedule.
- (2) A building or part of a building counts as a dwelling if—
- (a) it is used or suitable for use as a single dwelling, or
 - (b) it is in the process of being constructed or adapted for such use.
- (3) Land that is, or is to be, occupied or enjoyed with a dwelling as a garden or grounds (including any building or structure on such land) is taken to be part of that dwelling.
- (4) Land that subsists, or is to subsist, for the benefit of a dwelling is taken to be part of that dwelling.
- (5) The main subject-matter of a transaction is also taken to consist of or include an interest in a dwelling if—
- (a) substantial performance of a contract constitutes the effective date of that transaction by virtue of a relevant deeming provision,
 - (b) the main subject-matter of the transaction consists of or includes an interest in a building, or a part of a building, that is to be constructed or adapted under the contract for use as a single dwelling, and
 - (c) construction or adaptation of the building, or the part of a building, has not begun by the time the contract is substantially performed.
- (6) In sub-paragraph (5)—
- “contract” includes any agreement (including, in the case of Scotland, missives of let not constituting a lease);
 - “relevant deeming provision” means any of sections 44 to 45A or paragraph 12A or 19(3) of Schedule 17A;
 - “substantially performed” has the same meaning as in section 44.
- (7) Subsections (2) to (5) of section 116 apply for the purposes of this paragraph as they apply for the purposes of subsection (1)(a) of that section.”

Other amendments of Part 4 of FA 2003

F14

Textual Amendments

- F1** Sch. 22 para. 4 omitted (with effect in accordance with Sch. 39 para. 10(4) of the amending Act) by virtue of Finance Act 2012 (c. 14), Sch. 39 para. 8(2)(f) (with Sch. 39 paras. 11-13)

5 In section 87(3) of that Act (interest on unpaid tax), after paragraph (a) insert—

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“(aza) in the case of an amount payable by virtue of paragraph 6 of Schedule 6B (adjustment for change of circumstances), the date of the event;”.

- 6 In paragraph 9 of Schedule 5 to that Act (amount of tax chargeable: rent)—
- (a) in sub-paragraph (4), after “section 55” insert “ or Schedule 6B ”, and
 - (b) in sub-paragraph (5), after “section” insert “ or Schedule ”.
- 7 In paragraph 12(2A) of Schedule 10 to that Act (notice of enquiry into return), for “or 81A (return or further return in consequence of later linked transaction)” substitute “, 81A (return or further return in consequence of later linked transaction) or paragraph 6 of Schedule 6B (adjustment for change of circumstances) ”.
- 8 In paragraphs 11(2C) and 19(2C) of Schedule 15 to that Act (partnerships), in the substituted sub-paragraph (4), for “ as it has ” substitute “or Schedule 6B as they have”.

Commencement

- 9 (1) The amendments made by this Schedule have effect in relation to relevant transactions that—
- (a) have an effective date on or after the day on which this Act is passed (“the commencement day”), and
 - (b) satisfy sub-paragraph (2).
- (2) A relevant transaction satisfies this sub-paragraph if—
- (a) it is not linked to a land transaction with an effective date before the commencement day (a “pre-commencement transaction”), or
 - (b) the only pre-commencement transaction to which it is linked is—
 - (i) an option binding the grantor to enter into the relevant transaction, or
 - (ii) a right of pre-emption restricting the right of the grantor to enter into it.

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 23 para. 45(1)(ia) inserted by [2017 c. 10 Sch. 11 para. 6\(3\)](#)
- Sch. 23 para. 2(1A) inserted by [S.I. 2019/397 reg. 2\(2\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)
- Sch. 23 para. 15A inserted by [S.I. 2019/397 reg. 2\(3\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked on IP completion day by S.I. 2020/1544, regs. 1, 8; S.I. 2020/1641, reg. 2, Sch.)