

Status: Point in time view as at 01/06/2019.

Changes to legislation: There are currently no known outstanding effects for the Tenant Fees Act 2019, Cross Heading: Holding deposit. (See end of Document for details)

SCHEDULES

SCHEDULE 1

PERMITTED PAYMENTS

Holding deposit

- 3 (1) Subject to sub-paragraphs (3) to (6), a payment of a holding deposit is a permitted payment.
- (2) In this Act “holding deposit” means money which is paid by or on behalf of a tenant to a landlord or letting agent before the grant of a tenancy with the intention that it should be dealt with by the landlord or letting agent in accordance with Schedule 2 (treatment of holding deposit).
- (3) If the amount of the holding deposit exceeds one week's rent, the amount of the excess is a prohibited payment.
- (4) In sub-paragraph (3) “one week's rent” means the amount of the annual rent payable in respect of the tenancy immediately after its grant, renewal or continuance divided by 52.
- (5) A payment of a holding deposit is not a permitted payment if—
- (a) the landlord or letting agent to whom the deposit was paid has previously received a holding deposit (“the earlier deposit”) in relation to the same housing,
 - (b) the landlord or letting agent has not repaid all or part of the earlier deposit, and
 - (c) none of paragraphs 6 to 12 of Schedule 2 have applied so as to permit the landlord or letting agent not to repay the earlier deposit or the part that has not been repaid.
- (6) The reference in sub-paragraph (5)(a) to a landlord or letting agent receiving a holding deposit does not include the landlord or letting agent doing so before the coming into force of Schedule 2.

Commencement Information

11 Sch. 1 para. 3 in force at 1.6.2019 by S.I. 2019/857, reg. 3(z)

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