

**2010 No. 407**

**STAMP DUTY LAND TAX**

**The Stamp Duty Land Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) (Amendment) Regulations 2010**

<i>Made</i>	- - - -	<i>22nd February 2010</i>
<i>Laid before the House of Commons</i>		<i>23rd February 2010</i>
<i>Coming into force</i>	- -	<i>1st April 2010</i>

The Treasury, in exercise of the powers conferred by sections 306(1)(a) and (b) of the Finance Act 2004(a) make the following Regulations.

**Citation, commencement and interpretation**

1. These Regulations may be cited as the Stamp Duty Land Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) (Amendment) Regulations 2010 and come into force on 1st April 2010.

**Amendment of the Stamp Duty Land Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2005**

2.—(1) Regulation 2 (prescribed description of arrangements in relation to stamp duty land tax) of the Stamp Duty Land Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2005(b) is amended as follows.

(2) In paragraph (2) in the definition of “the applicable value” for “non-residential property” substitute “property (whether residential or non-residential)”.

(3) For paragraph (3) substitute—

“(3) The arrangements are those whose subject matter is one of the following—

- (a) wholly non-residential property in respect of which the applicable value is at least £5,000,000;
- (b) wholly residential property in respect of which the applicable value is at least £1,000,000;
- (c) a mixture of non-residential and residential property where either—
  - (i) the applicable value of the residential property is at least £1,000,000; or
  - (ii) the applicable value of all the property is at least £5,000,000.

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(a) 2004 c. 12. For the purposes of section 306, “prescribed” is defined in section 318 as prescribed in regulations made by the Treasury.

(b) S.I. 2005/1868.

(3A) The time for establishing the applicable value in paragraph (3) is to be the time any requirement to notify would arise under section 308, 309 or 310 (as the case may be).

(3B) Arrangements are excepted from disclosure under this regulation if—

- (a) they are excluded by virtue of the provisions in the Schedule to these Regulations; or
- (b) they are of the same, or substantially the same, description as arrangements which were first made available for implementation before 1st April 2010.”.

(4) For paragraph (4) substitute—

“(4) If a promoter makes a notifiable proposal available generally but does not know whether a proposal will result in arrangements, it shall be assumed, for the purposes of these Regulations, that the subject matter of any resulting arrangements will consist of—

- (a) wholly non-residential property in respect of which the applicable value is at least £5,000,000;
- (b) wholly residential property in respect of which the applicable value is at least £1,000,000; or
- (c) a mixture of non-residential and residential property where either—
  - (i) the applicable value of the residential property is at least £1,000,000; or
  - (ii) the applicable value of all the property is at least £5,000,000.”.

(5) Omit paragraph (5).

(6) In paragraph (6) for “£5,000,000” substitute “the applicable value provided in whichever of paragraph (3)(a), (b) or (c) applies”.

*Dave Watts*

*Frank Roy*

22nd February 2010

Two of the Lords Commissioners of Her Majesty’s Treasury

## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations amend the Stamp Duty Land Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2005 (“2005 Regulations”) to extend the descriptions to schemes that concern residential property.

Regulation 2 amends regulation 2 of the 2005 Regulations to require disclosure of tax avoidance schemes that seek to avoid stamp duty land tax in relation to residential property with a value of at least £1 million or a mixture of residential and non-residential property with a value of at least £5 million. The duty to notify does not arise if excluded by the Schedule to the 2005 Regulations or for arrangements entered into before the commencement of these Regulations.

A full Impact Assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available at [www.hmrc.gov.uk/better-regulation/ia.htm](http://www.hmrc.gov.uk/better-regulation/ia.htm) and is annexed to the Explanatory Memorandum which is available alongside the instrument on the OPSI website.

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£4.00