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WELSH STATUTORY INSTRUMENTS

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**2018 No. 126**

**The Land Transaction Tax (Transitional Provisions) (Wales) Regulations 2018**

**Contracts entered into after 17 December 2014 but before the commencement date**

4.—(1) This regulation applies to contracts entered into after 17 December 2014 but before the commencement date for a land transaction under which the transaction is to be completed by a transfer and there is an effective date in relation to the transaction on or after the commencement date.

(2) Where this regulation applies and there is substantial performance of the contract as described in section 44(4) of the FA 2003 prior to the commencement date, section 10 of the LTT Act applies subject to paragraph (3).

(3) Where paragraph (2) applies and tax in respect of the substantial performance has been paid to HMRC under the FA 2003, paragraph (4) applies.

(4) Where this paragraph applies, section 10(5)(b) of the LTT Act applies except the tax is chargeable on the latter transaction only to the extent (if any) that the amount of tax chargeable on it is greater than the amount of tax chargeable on the contract under the FA 2003 and paid to HMRC.