

## 1 SDLT: Calculating tax on non-residential and mixed transactions

- (1) Section 55 of FA 2003 (general rules on calculating the amount of stamp duty land tax chargeable) is amended in accordance with subsections (2) to (7).
- (2) In subsection (1) for “, (1C) and (2)” substitute “and (1C)”.
- (3) In subsection (1B) –
  - (a) omit the words from “the relevant land” to “and”,
  - (b) in Step 1 –
    - (i) for “Table A” substitute “the appropriate table”,
    - (ii) for “that Table” substitute “the appropriate table”,
    - (iii) at the end insert –
 

“The “appropriate table” is –

      - (a) Table A, if the relevant land consists entirely of residential property, and
      - (b) Table B, if the relevant land consists of or includes land that is not residential property.”, and
  - (c) after Table A insert –
 

**“Table B: Non-residential or mixed**

<i>Relevant consideration</i>	<i>Percentage</i>
So much as does not exceed £150,000	0%
So much as exceeds £150,000 but does not exceed £250,000	2%
The remainder (if any)	5%”.

- (4) In subsection (1C) –
  - (a) omit the words from “the relevant land” to “and” (in the first place it occurs),
  - (b) in Step 1 –
    - (i) for “Table A” substitute “the appropriate table”,
    - (ii) for “that Table” substitute “the appropriate table”,
    - (iii) at the end insert –
 

“The “appropriate table” is –

      - (a) Table A, if the relevant land consists entirely of residential property, and
      - (b) Table B, if the relevant land consists of or includes land that is not residential property.”
- (5) Omit subsection (2).
- (6) In subsection (3) –
  - (a) in the words before paragraph (a), for “subsections (1B) and (2)” substitute “subsection (1B)”, and
  - (b) in paragraph (b) omit “, subject as follows”.
- (7) In subsection (4) –

- (a) in the words before paragraph (a), for the words from “subsections (1C)” to “linked transactions” substitute “subsection (1C)”, and
  - (b) in paragraph (a) for “those” substitute “the linked”.
- (8) Schedule 5 to FA 2003 (rules on calculating the amount of stamp duty land tax chargeable in respect of transactions for which the consideration consists of or includes rent) is amended in accordance with subsections (9) to (11).
- (9) In paragraph 2(3) (calculation of tax chargeable in respect of rent) in Table B (bands and percentages for non-residential or mixed property) for the final entry substitute—

“Over	£150,000	but	1%
	not over	£5	
	million		
	Over	£5	2%”
	million		

- (10) In paragraph 9 (tax chargeable in respect of consideration other than rent: general), in sub-paragraph (1), omit “(but see paragraph 9A)”.
- (11) Omit paragraph 9A (calculation of tax chargeable in respect of consideration other than rent: 0% band) and the cross-heading preceding it.
- (12) The amendments made by this section have effect in relation to any land transaction of which the effective date is, or is after, 17 March 2016.
- (13) But those amendments do not have effect in relation to a transaction if the purchaser so elects and either—
- (a) the transaction is effected in pursuance of a contract entered into and substantially performed before 17 March 2016, or
  - (b) the transaction is effected in pursuance of a contract entered into before that date and is not excluded by subsection (15).
- (14) An election under subsection (13)—
- (a) must be included in the land transaction return made in respect of the transaction or in an amendment of that return, and
  - (b) must comply with any requirements specified by the Commissioners for Her Majesty’s Revenue and Customs as to its form or the manner of its inclusion.
- (15) A transaction effected in pursuance of a contract entered into before 17 March 2016 is excluded by this subsection if—
- (a) there is any variation of the contract, or assignment of rights under the contract, on or after 17 March 2016,
  - (b) the transaction is effected in consequence of the exercise on or after that date of any option, right of pre-emption or similar right, or
  - (c) on or after that date there is an assignment, subsale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.
- (16) In this section—

“land transaction return”, in relation to a transaction, means the return under section 76 of FA 2003 in respect of that transaction;

“purchaser” has the same meaning as in Part 4 of that Act (see section 43(4) of that Act);

“substantially performed”, in relation to a contract, has the same meaning as in that Part (see section 44(5) of that Act).