
1 SDLT: changes to periods for delivering returns and paying tax

- (1) FA 2003 is amended as follows.
- (2) In section 76(1) (duty to deliver land transaction return), for “30 days” substitute “14 days”.
- (3) For section 80(2) (adjustment where contingency ceases or consideration is ascertained) substitute –
 - “(2) If the effect of the new information is that a transaction becomes notifiable, the purchaser must make a return to the Inland Revenue within 14 days.
 - (2A) If the effect of the new information is that –
 - (a) tax is payable in respect of a transaction where none was payable before and subsection (2) does not apply, or
 - (b) additional tax is payable in respect of a transaction,the purchaser must make a further return to the Inland Revenue within 30 days.
 - (2B) For the purposes of subsections (2) and (2A), any tax or additional tax payable is calculated according to the effective date of the transaction.
 - (2C) If a purchaser is required to make a return under subsection (2) or a further return under subsection (2A) –
 - (a) that 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, and
 - (b) the tax or additional tax payable must be paid not later than the filing date for that return.”
- (4) In section 81 (further return where relief withdrawn) –
 - (a) in subsection (1B) –
 - (i) after paragraph (c) insert –

“(ca) in the case of relief under paragraph 5CA of that Schedule (acquisition under a regulated home reversion plan), the first day in the period mentioned in paragraph 5IA(2) of that Schedule on which the purchaser holds the higher threshold interest otherwise than for the purposes of the regulated home reversion plan, unless paragraph 5IA(3)(a) and (b) applies;”, and
 - (ii) after paragraph (d) insert –

“(da) in the case of relief under paragraph 5EA of that Schedule (acquisition by management company of flat for occupation by caretaker), the first day in the period mentioned in paragraph 5JA(2) of that Schedule on which the purchaser holds the higher threshold interest otherwise than for the purpose of making the flat available for use as caretaker accommodation;”, and
 - (b) in subsection (2A), after “subsection (1)” insert “or (1A)”.
- (5) For section 81A(1) (return or further return in consequence of later linked transaction) substitute –

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- “(1) Where the effect of a transaction (“the later transaction”) that is linked to an earlier transaction is that the earlier transaction becomes notifiable, the purchaser under the earlier transaction must deliver a return in respect of that transaction before the end of the period of 14 days after the effective date of the later transaction.
- (1A) Where the effect of a transaction (“the later transaction”) that is linked to an earlier transaction is that—
- (a) tax is payable in respect of the earlier transaction where none was payable before and subsection (1) does not apply, or
 - (b) additional tax is payable in respect of the earlier transaction, the purchaser under the earlier transaction must deliver a further return in respect of that transaction before the end of the period of 30 days after the effective date of the later transaction.
- (1B) For the purposes of subsections (1) and (1A), any tax or additional tax payable is calculated according to the effective date of the earlier transaction.
- (1C) Where a purchaser is required to deliver a return under subsection (1) or a further return under subsection (1A)—
- (a) that return must include a self-assessment of the amount of tax chargeable as a result of the later transaction, and
 - (b) the tax or additional tax payable must be paid not later than the filing date for that return.”
- (6) In section 86(2) (payment of tax), before paragraph (a) insert—
- “(za) any of paragraphs 5G to 5K of Schedule 4A (higher rate for certain transactions),”.
- (7) In section 87 (interest on unpaid tax)—
- (a) after subsection (1) insert—
- “(1A) But where the relevant date is determined by subsection (3)(aa), (aaa), (ab) or (c), and a return is required to be delivered before the end of the period of 14 days after that relevant date, interest is instead payable on the amount of any unpaid tax from the end of that period until the tax is paid.”,
- (b) in subsection (2), after “subsection (1)” insert “or (1A)”, and
 - (c) in subsection (3), before paragraph (a) insert—
- “(za) in the case of an amount payable because relief is withdrawn under any of paragraphs 5G to 5K of Schedule 4A (higher rate for certain transactions), the date which is the relevant date for the purposes of section 81(1A);”.
- (8) In Schedule 17A (further provisions relating to leases)—
- (a) for paragraph 3(3) substitute—
- “(3) Where the effect of sub-paragraph (2) in relation to the continuation of the lease for a period (or further period) of one year after the end of a fixed term is that a transaction becomes notifiable, the purchaser must deliver a return in respect of that transaction before the end of the period of 14 days after the end of that one year period.

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- (3ZA) Where the effect of sub-paragraph (2) in relation to the continuation of the lease for a period (or further period) of one year after the end of a fixed term is that –
- (a) tax is payable in respect of a transaction where none was payable before and sub-paragraph (3) does not apply, or
 - (b) additional tax is payable in respect of a transaction, the purchaser must deliver a further return in respect of that transaction before the end of the period of 30 days after the end of that one year period.
- (3ZB) For the purposes of sub-paragraphs (3) and (3ZA), any tax or additional tax payable is calculated according to the effective date of the transaction.
- (3ZC) Where a purchaser is required to deliver a return under sub-paragraph (3) or a further return under sub-paragraph (3ZA) –
- (a) that return must include a self-assessment of the amount of tax chargeable in respect of the transaction on the basis of the information contained in the return, and
 - (b) the tax or additional tax payable must be paid not later than the filing date for that return.”
- (b) for paragraph 4(3) substitute –
- “(3) Where the effect of sub-paragraph (1) in relation to the continuation of the lease after the end of a deemed fixed term is that a transaction becomes notifiable, the purchaser must deliver a return in respect of that transaction before the end of the period of 14 days after the end of that term.
- (3A) Where the effect of sub-paragraph (1) in relation to the continuation of the lease after the end of a deemed fixed term is that –
- (a) tax is payable in respect of a transaction where none was payable before and sub-paragraph (3) does not apply, or
 - (b) additional tax is payable in respect of a transaction, the purchaser must deliver a further return in respect of that transaction before the end of the period of 30 days after the end of that term.
- (3B) For the purposes of sub-paragraphs (3) and (3A), any tax or additional tax payable is calculated according to the effective date of the transaction.
- (3C) Where a purchaser is required to deliver a return under sub-paragraph (3) or a further return under sub-paragraph (3A) –
- (a) that return must include a self-assessment of the amount of tax chargeable in respect of the transaction on the basis of the information contained in the return, and

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- (b) the tax or additional tax payable must be paid not later than the filing date for that return.”, and
 - (c) for paragraph 8(3) substitute –
 - “(3) If the result as regards the rent paid or payable in respect of the first five years of the term of the lease is that a transaction becomes notifiable, the purchaser must make a return to the Inland Revenue within 14 days of the date referred to in sub-paragraph (1)(a) or (b).
 - (3A) If the result as regards the rent paid or payable in respect of the first five years of the term of the lease is that –
 - (a) tax is payable in respect of a transaction where none was payable before and sub-paragraph (3) does not apply, or
 - (b) additional tax is payable in respect of a transaction, the purchaser must make a further return to the Inland Revenue within 30 days of the date referred to in sub-paragraph (1)(a) or (b).
 - (3B) If a purchaser is required to make a return under sub-paragraph (3) or a further return under sub-paragraph (3A) –
 - (a) that 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,
 - (b) the tax so chargeable is to be calculated by reference to the rates in force at the effective date of the transaction, and
 - (c) the tax or additional tax payable must be paid not later than the filing date for that return.”
- (9) The amendments made by this section are to be treated as having effect in relation to –
- (a) any land transaction with an effective date on or after 1 March 2019, and
 - (b) any land transaction with an effective date before 1 March 2019 which becomes notifiable on or after 1 March 2019.