

**1 Relief for first-time buyers in cases of shared ownership**

- (1) Schedule 9 to FA 2003 (stamp duty land tax: shared ownership leases etc) is amended as follows.
- (2) In paragraph 4 (shared ownership lease: election where staircasing allowed), after sub-paragraph (4) insert—
  - “(4A) See paragraph 15 for further provision in connection with relief for first-time buyers.”
- (3) After paragraph 14 insert—

*“Relief for first-time buyers: shared ownership lease where election made*

15 Where—

- (a) paragraph 4 applies, and
  - (b) relief is claimed under paragraph 1 of Schedule 6ZA in respect of the grant of the lease concerned,  
no tax is chargeable in respect of so much of the chargeable consideration for the grant as consists of rent.”
- (4) After paragraph 15 (as inserted by subsection (3)) insert—

*“Relief for first-time buyers: shared ownership lease where no election made*

15A (1) This paragraph applies where—

- (a) a shared ownership lease is granted, and
  - (b) no election is made for tax to be charged in accordance with paragraph 2 or 4.
- (2) For the purpose of determining whether the second condition in paragraph 1 of Schedule 6ZA is met in respect of the grant, the chargeable consideration for the grant is to be treated as being the amount stated in the lease in accordance with paragraph 2(2)(e) or paragraph 4(2)(e)(i) or (ii).
  - (3) If relief is claimed in respect of the grant under paragraph 1 of Schedule 6ZA no tax is chargeable in respect of so much of the chargeable consideration for the grant as consists of rent.
  - (4) In this paragraph “shared ownership lease” has the same meaning as in paragraph 4A.

*Relief for first-time buyers: shared ownership trust where no election made*

15B (1) This paragraph applies where—

- (a) a shared ownership trust is declared, and

- (b) no election is made for tax to be charged in accordance with paragraph 9.
- (2) For the purpose of determining whether the second condition in paragraph 1 of Schedule 6ZA is met in respect of the declaration, the chargeable consideration for the declaration is to be treated as being the sum specified in the trust in accordance with paragraph 7(4)(f).
- (3) If relief is claimed in respect of the declaration under paragraph 1 of Schedule 6ZA no tax is chargeable in respect of any rent-equivalent payment treated by reason of paragraph 11(b) as rent.”
- (5) For the italic cross-heading before paragraph 16 substitute “No relief for first-time buyers for staircasing transactions etc”.
- (6) In paragraph 16 (cases where first-time buyer’s relief is not available) –
  - (a) in sub-paragraph (1), omit paragraphs (a), (b) and (d) (but not “or” at the end of paragraph (d)), and
  - (b) in sub-paragraph (2), omit paragraphs (a) and (c) (but not “or” at the end of paragraph (c)).
- (7) The amendments made by this section have effect in relation to –
  - (a) any land transaction of which the effective date is on or after 29 October 2018, and
  - (b) any land transaction of which the effective date is before 29 October 2018 and in respect of which a land transaction return has not been given by that date.

## **2 Repayment to first-time buyers in cases of shared ownership**

- (1) Until 29 October 2019, a claim for the repayment of tax may be made in respect of a land transaction within subsection (2) or (3).
- (2) A transaction is within this subsection if the amount of tax chargeable in respect of the transaction would have been less had the amendment made by section 1(3) been in force from the effective date of the transaction.
- (3) A transaction is within this subsection if first-time buyer’s relief –
  - (a) could not have been claimed for the transaction, but
  - (b) could have been claimed had the amendments made by section 1(4), (5) and (6) been in force from the effective date of the transaction.
- (4) Where a claim is made under this section, HMRC must repay –
  - (a) in a case where the transaction is within subsection (2), so much of the tax paid as exceeds the amount that would have been chargeable had the amendment made by section 1(3) been in force from the effective date of the transaction, and
  - (b) in a case where the transaction is within subsection (3), so much of the tax paid as exceeds the amount that would have been chargeable had the amendments made by section 1(4), (5) and (6) been in force from the effective date of the transaction and had a claim for first-time buyer’s relief been made.
- (5) A claim under this section must be made by amendment of the land transaction return.

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- (6) Sub-paragraphs (2A) and (3) of paragraph 6 of Schedule 10 to FA 2003 do not apply in the case of an amendment of a land transaction return made for the purpose of making a claim under this section.
  - (7) In this section—
    - (a) the expressions used have the same meaning as in Part 4 of FA 2003;
    - (b) “first-time buyer’s relief” means relief under Schedule 6ZA to FA 2003.