

SDLT: Higher rates for additional dwellings

Indirect Tax

01 August 2016

ATT provides comments to HMRC on cl 117 of FB 201

Clause 117 provides the legislation to bring into effect the additional 3% SDLT when individuals buy additional residential properties from 1 April 2016. The higher rates also apply to the first purchase of a residential property by a company and some types of trusts.

The ATT's commentary on cl 117 builds on the original response we submitted to the consultation earlier this year and highlights our remaining concerns with the overall scope and design of this measure.

Our commentary also raises concerns about the application of the legislation to newly married couples or civil partnerships where only one party is replacing a main residence. The effect of the legislation, as drafted, is to deny any relief for replacement of a main residence unless both parties can claim they are replacing a main residence. We believe this is an unfair application of the 'one unit' rules that apply to married couples and civil partnerships and makes the legislation particularly discriminatory against newly married couples or civil partners setting up home for the first time.

Read the ATT response in full on the [ATT website](#).