



Think Ahead

## Guide from DMP Accountants Limited

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# Stamp duty land taxes: UK Autumn mini budget 2022

### ENGLAND & NORTHERN IRELAND: STAMP DUTY LAND TAX (SDLT) RATES

#### Residential properties: 23 September 2022 onwards

Property value	UK Residents		Non-UK Residents	
	Only property	Additional property	Only property	Additional property
Up to £250,000	Nil	3%	2%	5%
Next portion from £250,001 to £925,000	5%	8%	7%	10%
Next portion from £925,001 to £1,500,000	10%	13%	12%	15%
Remaining amount above £1,500,000	12%	15%	14%	17%

#### Residential properties: 1 October 2021 – 22 September 2022

Property value	UK Residents		Non-UK Residents	
	Only property	Additional property	Only property	Additional property
Up to £125,000	Nil	3%	2%	5%
Next portion from £125,001 to £250,000	2%	5%	4%	7%

Next portion from £250,001 to £925,000	5%	8%	7%	10%
Next portion from £925,001 to £1,500,000	10%	13%	12%	15%
Remaining amount above £1,500,000	12%	15%	14%	17%

*Note 1: From 1 April 2016, higher rates of SDLT apply on purchases of additional properties by individuals. This rate is also payable by companies and other entities.*

*Note 2: From 1 April 2021 non-UK residents purchasing a residential property in England and Northern Ireland will be subject to a 2% SDLT surcharge in addition to the main rate SDLT payable by UK residents.*

*Note 3: Higher rates do not apply while replacing main residence, subject to meeting certain conditions or for purchases under £40,000.*

<b>SDLT for first-time buyers from 23 September 2022 onwards (note 4)</b>	<b>Rates of tax</b>
Up to £425,000	Nil
Next portion from £425,001 to £625,000	5%
Remaining amount above £625,000	Standard rates apply

<b>SDLT for first-time buyers from 1 July 2021 to 22 September 2022</b>	<b>Rates of tax</b>
Up to £300,000	Nil
Next portion from £300,001 to £500,000	5%
Remaining amount above £500,000	Standard rates apply

*Note 4: From 23 September 2022, first-time buyers are eligible to apply for a relief for properties up to the value of £625,000. If the property price is over £625,000, existing SDLT rates apply on the full price as described in the above tables.*

*Note 5: Sliding-scale rates do not apply when the property is acquired by certain non-natural persons, company or other entity for more than £500,000.*

*Note 6: Qualifying housing co-operatives will be relieved from the annual tax on enveloped dwellings and the 15% flat rates of SDLT for dwellings over £500,000. This will take effect for properties in England and Northern Ireland from the autumn Budget and from 1 April 2021 for the rest of the UK, with refund available for 2020/21.*

## Non-residential properties or mixed-use properties

Property or lease premium or transfer value	Rates of tax
Up to £150,000	Nil
The next portion from £150,001 to £250,000	2%
The remaining amount above £250,000	5%

## New leasehold properties: SDLT rates on net present value (NPV) of rent

Residential property (note 7)	Non-residential or mixed-use properties	Rates of tax
Up to £125,000	Up to £150,000	Nil
Over £125,000	Next portion from £150,001 to £5m	1%
	Over £5m	2%

*Note 7: On leases granted from 8 July 2020 to 31 March 2021 for residential properties, the nil rate threshold is extended to £500,000 and the 1% rate applies to portions above £500,000 only.*

## SCOTLAND: LAND AND BUILDINGS TRANSACTION TAX (LBTT) RATES

### Residential properties: from 1 April 2021

Property or lease premium or transfer value	Only property rates	Additional property rates (note 9)
Up to £145,000 (note 8)	Nil	4%
Next portion from £145,001 to £250,000	2%	6%
Next portion from £250,001 to £325,000	5%	9%
Next portion from £325,001 to £750,000	10%	14%
Remaining amount over £750,000	12%	16%

*Note 8: For purchases from 15 July 2020 to 31 March 2021 the nil rate applies to the first £250,000 of the purchase consideration.*

*Note 9: Higher rates do not apply while replacing main residence, subject to meeting certain conditions or for purchases under £40,000.*

*Note 10: First-time Buyer Relief continues to apply in Scotland, increasing the nil rate band from £145,000 to £175,000 for first-time buyers.*

### **Non-residential properties or mixed-use properties**

<b>Property or lease premium or transfer value</b>	<b>Rates of tax</b>
Up to £150,000	Nil
Next portion from £150,001 to £250,000	1%
Remaining amount over £250,000	5%

### **Non-residential leasehold properties: Net present value (NPV) of rent**

<b>NPV of rent payable</b>	<b>Rates of tax</b>
Up to £150,000	Nil
Next portion from £150,001 to £2m	1%
Remaining amount over £2m	2%

### **WALES: LAND TRANSACTION TAX (LTT) RATES**

#### **Residential properties: from 1 April 2021**

<b>Property value</b>	<b>Only property rates</b>	<b>Additional property rates (note 12)</b>
Up to £180,000 (note 11)	Nil	4.0%
Next portion from £180,001 to £250,000	3.5%	7.5%
Next portion from £250,001 to £400,000	5.0%	9.0%

Next portion from £400,001 to £750,000	7.5%	11.5%
Next portion from £750,001 to £1.5m	10.0%	14.0%
Remaining amount over £1.5m	12.0%	16.0%

*From 1 April 2018, in Wales LTT is payable instead of SDLT.*

*Note 11: The nil rate band for transactions between 27 July 2020 to 31 March 2021 was £250,000.*

*Note 12: The additional property rates across all bands were increased by 1% with effect from 22 December 2020.*

#### **Non-residential properties or mixed-use properties**

<b>Property or lease premium or transfer value</b>	<b>Rates of tax</b>
Up to £225,000 (note 13)	Nil
Next portion from £225,001 to £250,000	1%
Next portion from £250,001 to £1m	5%
Remaining amount over £1m	6%

*Note 13: For transactions between 1 April 2018 to 21 December 2020. The nil rate band threshold was £150,000 and the 1% rate applied to the portion from £150,001 to £250,000*

#### **Non-residential leasehold properties: LTT rates on NPV of rent**

<b>NPV of rent payable</b>	<b>Rates of tax</b>
Up to £225,000 (note 14)	Nil
Next portion from £225,001 to £2m	1%
Remaining amount over £2m	2%

*Note 14: For transactions between 1 April 2018 to 21 December 2020. The nil rate band threshold was £150,000 and the 1% rate applied to the portion from £150,001 to £2m*

### **Stamp Duty**

Stamp duty payable on transfer of shares and securities is **0.5%**, subject to the value of the consideration being above £1,000.

Shares transferred to a clearance service or depositary-receipt issuer as a result of the exercise of an option are charged at a higher rate of stamp duty of **1.5%** based on either their market value or the option strike price, whichever is higher. The change applies to options exercised on or after 23 March 2016 which were entered into on or after 25 November 2015.

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