

• **SDLT RELIEF FOR MULTIPLE RESIDENTIAL PURCHASES**

On 31 March 2011 the UK government published the first version of the Finance Bill 2011. This included the provisions for multiple residence purchase relief from SDLT.

The new relief will fix the rate of SDLT by reference to the average consideration for multiple purchases of dwellings rather than the aggregate consideration.

The relief applies to purchases of either two or more dwellings (multiple purchases) or a single dwelling that is one of a number of linked transactions (the main subject matter of one of those linked transactions being the purchase of an interest in at least one dwelling).

If applied, the relief will allow SDLT to be charged at the rate applicable to the mean value of the whole transaction (i.e. if six properties were being purchased at £200,000 each as part of the same transaction or as a number of linked transactions then SDLT would be charged at 1% (total of £12,000) rather than 5% on the whole (total of £60,000)).

This is a welcome measure aimed at boosting the residential property market, which is also available on off-plan plot purchases.

However, it is not likely to be available until July 2011, at which point it is anticipated that the Bill will receive Royal Assent. Buyers may look to delay applicable purchases until then.

The relief includes provisions for an upwards adjustment to the SDLT chargeable where an event occurs within three years of the effective date, which if it had occurred immediately before the effective date, would have resulted in a higher SDLT charge.

It is important to get advice on such adjustments before action is taken.

**FOR MORE INFORMATION,
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