

STAMP DUTY LAND TAX (SDLT): THE FACTS

A guide to Stamp Duty Land Tax,
if you're eligible to claim,
and how Ad Valorem
can help you.



SDLT

What is SDLT?

Stamp Duty Land Tax (SDLT) is charged if you buy a property or land over a certain price in England and Northern Ireland.

You pay the tax when you:

- Buy a freehold property
- Buy a new or existing leasehold
- Buy a property through a shared ownership scheme
- Are transferred land or property in exchange for payment (including if you take on a mortgage or buy a share in a house)

How much SDLT will I pay?

This depends upon the amount of consideration payable and reliefs available to you.

The total value you pay SDLT on is usually the price you pay for the land or property. Sometimes it might include other types of payments such as goods/services swapped in exchange for the land or property, transfer value of any outstanding mortgage or other consideration given in exchange for the land or property.

Individuals can also end up paying an additional 3% surcharge if buying a new

residential property means you own more than one property.

Surcharges can also apply to non-UK resident individuals and corporate bodies for example.

Can I reduce the amount I have to pay?

There are various reliefs available to reduce the amount of SDLT you pay, examples include:

- First time buyers relief
- Multiple dwellings relief
- Employers buying an employee's house
- Property developers providing amenities to communities
- Charities buying for charitable purposes
- Relief for mixed-use (eg. Buildings with both residential and non-residential use)
- Claiming back additional 3% SDLT surcharge paid to HMRC

The above list is just some examples – get in touch to discuss your circumstances.

How does the claim work?

With the property purchase, your SDLT return must include the claim for relief. If your solicitor has already filed your

Things to look out for:

- ✓ Buying a property with land which will be used for commercial purposes
- ✓ Buying a property which has another property such as an annex or outbuildings
- ✓ Buying more than one property
- ✓ Property developers having to provide amenities such as a play park
- ✓ Shops with flats above
- ✓ Significant installation of solar panels

SDLT return as part of your purchase, an amended SDLT return may be required to submit your relief claim. We can submit an amended SDLT return on your behalf.

If you have overpaid your SDLT, a refund will be issued.

Are reliefs just available to companies?

Reliefs are available to individuals and companies.

What is the deadline for claiming the relief?

A SDLT return is due for filing within 14 days of your effective date. This is usually the date the transfer completes but it can be the date the contract is substantially performed, if this is before completion.

Usually, we can claim a relief on your behalf within 12 months from the filing date. Some reliefs (such as reclaiming surcharges) can be claimed within 2- 3 years of your effective date.

Will my solicitor need to be involved?

They will need to provide us with some documentation such as your SDLT return, which we will request from them in the early stages of our process. We aim to keep your solicitor's involvement to a minimum.

How much of my time (the client) will you require?

We have optimised our processes so we will qualify your relief claim early in the process. Once we've got the documentation required, we only need you to approve our findings and we will take care of the claim for you. We would estimate your input requiring 1 -2 hours with us.

What's the turnaround time?

Our commitment to you is to complete our review within 6 weeks of engagement.

What is the likelihood that my claim will be enquired into by HMRC?

HMRC enquiries can happen for a number of reasons, including random selection.

Rest assured we have in-house experts to look after the enquiry and fight your corner, all included in our success fee.

Next steps:

Arrange a consultation with one of our tax specialists to see how we can help with your SDLT claim.



Get in touch using the details on the back of this flyer to find out how we can help.



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