

Budget 2010: Stamp Duty Land Tax

Wednesday 24 March 2010

The two changes to Stamp Duty Land Tax (SDLT) are:

A two year holiday period from Stamp Duty LT for first time property buyers.

Legislation will be introduced in Finance Bill 2010 to provide a Stamp Duty Land Tax relief where:

- an individual or individuals jointly purchase a major interest in land which is wholly residential
- the consideration is more than £125,000 but not more than £250,000
- that individual (or all of them) intends to occupy the property as his/her or their only or main residence
- an individual or individuals has or have not previously purchased such an interest or its equivalent anywhere in the world
- the effective date of the transaction is on or after 25 March 2010 and before 25 March 2012.

More information, including questions and answers are in the following documents:

- [Budget Note: Stamp Duty Land Tax – First Time Buyers](#)
- [Technical note: Stamp Duty Land Tax \(SDLT\) First Time Buyers](#)

A new rate of SDLT for expensive properties

At present the highest SDLT rate of 4 per cent applies to purchases where the consideration exceeds £500,000. Legislation in Finance Bill 2010 will add a new rate of 5 per cent for transactions in residential property where the consideration for the transaction exceeds £1 million.

The new higher rate will apply to residential purchases where the effective date (normally the date of completion) is on or after 6 April 2011.

More information is in

- [Budget Note: Stamp Duty Land Tax Rates and Thresholds](#)
- All other SDLT rates and thresholds remain unchanged and full details can be found in [Press Notice 02](#)