



LBTT Technical Bulletin 2

22 May 2017

This bulletin provides the latest information about LBTT, including clarifications about the application of legislation and planned updates to guidance. The bulletin includes a link to the draft order on the legislation.gov.uk website.

Contents

1. LBTT (Additional Amount – Second Homes Main Residence Relief) (Scotland) Order 2017 2

1. LBTT (Additional Amount – Second Homes Main Residence Relief) (Scotland) Order 2017

This draft order was laid before the Scottish Parliament on 19 May under section 68(2)(ja) of the Land and Buildings Transaction Tax (Scotland) Act 2013, for approval by resolution of the Scottish Parliament. The draft order can be found at <http://www.legislation.gov.uk/sdsi/2017/9780111035818/contents>. The draft order is subject to parliamentary scrutiny and as such it is not possible at this time to give a definitive coming into force date. We understand the Scottish Government's aim is for this order to come into force circa 30 June 2017.

The LBTT Additional Dwelling Supplement ("ADS") applies to the purchase of 'additional dwellings' (second homes, buy to let properties etc), unless the buyer is replacing their main residence. The Order amends schedule 2A of the Land and Buildings Transaction Tax (Scotland) Act 2013 to ensure that spouses, civil partners or co-habitants (referred to in the policy note as 'one economic unit') who jointly buy a main residence are considered to be replacing their main residence when their previous main residence is sold, but was owned by only one of them.

Revenue Scotland's legislative guidance will be updated when the order comes into force.