

These notes refer to the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (c.1) which received Royal Assent on 24 May 2017

LAND TRANSACTION TAX AND ANTI-AVOIDANCE OF DEVOLVED TAXES (WALES) ACT 2017

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2 – the Tax and Key Concepts

Section 11 - Contract providing for transfer to third party

22. When a contract provides that the buyer of a chargeable interest (P2) may direct the seller (P1) to transfer that interest to a third person (P3) or to P2, P2 is not regarded as having entered into a land transaction, unless P2 substantially performs the contract before that transfer. In that case, P2 is treated as having entered into a land transaction, effective from the date of the substantial performance, and where the contract is (in whole or in part) rescinded, annulled or for any other reason not brought into effect then WRA will, on receipt of a claim, repay tax overpaid.