

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

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 8 – Interpretation and Final Provisions

Schedule 22 - Miscellaneous reliefs

414. This Schedule provides relief from LTT for land transactions entered into in specific circumstances.

Lighthouses reliefs

415. [Paragraphs 1 and 2](#) of this Schedule provide relief from LTT for certain land transactions involving lighthouses. Specifically, a land transaction entered into by or under either of the following conditions is relieved from LTT:
- a land transaction entered into by or under the direction of the Secretary of State for the purposes of carrying into effect Part 8 (lighthouses) of the Merchant Shipping Act 1995; or
 - a land transaction entered into by or under the direction of the Trinity House for the purpose of carrying out the services referred to in section 221(1) of the Merchant Shipping Act.

Visiting forces and international military headquarters reliefs

416. [Paragraph 3](#) sets out the situations in which land transactions involving visiting forces or international military headquarters may be relieved from LTT.
417. [Paragraph 3](#) provides relief from LTT where the land transaction involves:
- building or enlarging, barracks or camps for a visiting force;
 - facilitating the training of a visiting force; or
 - promoting the health or efficiency of a visiting force.
418. The above conditions apply to any designated international military headquarters as if it were a visiting force of a designated country; and the members of that force were the persons serving at or attached to the headquarters who are members of the armed forces of a designated country.

Relief for property accepted in satisfaction of tax

419. [Paragraph 6](#) of this Schedule provides relief from LTT for a land transaction involving the transfer of land or property which is accepted in satisfaction of tax under section 9 of the National Heritage Act 1980 (disposal of property accepted by Commissioners). The land transaction in this situation must transfer the chargeable interest to a person nominated by the Secretary of State or the Welsh Ministers (section 9(4) of the National Heritage Act) or an institution or body defined in section 9(2) of the National Heritage Act as:

- any museum, art gallery, library or other similar institution having as a purpose the preservation of a collection of historic, artistic or scientific interest for public benefit;
- any body having as a purpose the provision, improvement or preservation of amenities enjoyed or to be enjoyed by the public or the acquisition of land to be used by the public; and
- any body having nature conservation as a purpose.

Trunk roads relief

420. A land transaction where the Welsh Ministers are a party or where the Secretary of State is a party is relieved from LTT if it relates to a highway or proposed highway which is or will become a trunk road, and the Welsh Ministers or the Secretary of State would be required to pay LTT as an expense incurred under the Highways Act 1980. In this Part, the meanings of “highway”, “proposed highway” and “trunk road” are those provided in sections 328 and 329(1) of the Highways Act 1980.

Relief for bodies established for national purposes

421. [Paragraph 8](#) provides that a land transaction is relieved from LTT where the buyer is any of the following:

- the Trustees of the British Museum;
- the Trustees of the National Heritage Memorial Fund; or
- the Trustees of the Natural History Museum.

Relief for reorganisation of Parliamentary constituencies

422. [Paragraph 9](#) of this Schedule applies where an Order in Council is made under the Parliamentary Constituencies Act 1986 (orders specifying new parliamentary constituencies). Where a land transaction is entered into as a consequence of such an Order, the land transaction is relieved from LTT where the seller is an existing local constituency association and the buyer is either:

- a new association formed to succeed the existing association; or
- a body related to the existing association that seeks to transfer the interest or right as soon as possible to a new association which is a successor to the existing association.

423. In the latter case, both land transactions would be relieved from LTT.

424. For the purposes of Paragraph 9, interpretation of key terms and their meanings is provided for in paragraph 9(3) and (4).

Building societies relief

425. Land transactions are relieved from LTT where they take place in connection with the amalgamation of two or more building societies under section 93 of the Building

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

Societies Act 1986; or where they relate to a transfer of engagements between building societies under section 94 of that Act.

Friendly societies relief

426. The provisions in paragraph 11 provide relief from LTT for certain land transactions involving friendly societies. The transactions eligible for relief under this paragraph are those effected by or in consequence of:
- a transfer of engagements or an amalgamation of two or more registered societies under section 82 of the Friendly Societies Act 1974;
 - an amalgamation of two or more friendly societies under section 85 of the Friendly Societies Act 1992;
 - a transfer of engagements of a friendly society under section 86 of the Friendly Societies Act 1992; or
 - a transfer of engagements of a friendly society pursuant to a direction given by the appropriate authority under section 90 of the Friendly Societies Act 1992.

Co-operative and community benefit society and credit union relief

427. The provisions in paragraph 12 provide relief from LTT where a land transaction takes place in connection with:
- a transfer of engagements between registered societies takes place in accordance with section 110 of the Co-operative and Community Benefit Societies Act 2014 (the “2014 Act”); or
 - a registered society is converted or amalgamated with a company, or the whole of the engagements of the registered society is transferred to a company, in accordance with section 112 the 2014 Act.