

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

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 8 – Interpretation and Final Provisions

Schedule 2 - Pre-completion transactions

Part 4 - The minimum consideration rule

The first minimum amount

147. [Paragraph 16](#) provides the meaning of first minimum amount and sets out how this is calculated for the purposes of paragraph 15.
148. The “first minimum amount” (see paragraph 15(2)(b)) in respect of a chargeable interest acquired under a land transaction referred to in paragraphs 7(4) or 13(2) is:
- the amount of consideration for the subject matter of the original contract (if the whole of the subject matter of that contract is acquired); or
 - the amount of consideration just and reasonably apportioned (if a part of the subject-matter of the original contract is acquired).
149. Sub-paragraph (3) sets out conditions A – C, which if satisfied provide that the first minimum amount is the total of any consideration required to be given by the transferor (the first T – see sub-paragraph (4)(a)) under the terms of the contract for the first T’s acquisition (see sub-paragraph (4)(b)) of the subject matter of that contract and, if not included, any consideration required to be given by the first T under any pre-completion transaction where the first T is a transferee.
150. For the purposes of paragraph 16, the meaning of “the first T” is provided at sub-paragraph (4) (a) and (4) (b) provides that “the transfer to the first T” is the pre-completion transaction where the first T is a transferee or the original contract (if T (see Condition B in sub-paragraph (3)) is the original buyer).