Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 anaw 1
SCHEDULE 6 – LEASES
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1

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SCHEDULE 6

LEASES

PART 5

CALCULATION OF TAX CHARGEABLE

Net present value

31   The NPV of the rent payable over the term of a lease is calculated by applying the following formula—

$$NPV - \sum_{i=1}^{n} \frac{r_i}{(1+T)^i}$$

Figure 8

where—

r$_i$ is the rent payable in respect of year i,

i is the first, second, third etc. year of the term of the lease,

n is the term of the lease, and

T is the temporal discount rate (see paragraph 32).