

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 10 - Contract and transfer

20. **Section 10** provides that where a person enters into a contract for a land transaction, the effective date of the transaction is the date of the completion of the contract.
21. Where the contract is substantially performed (see section 14) before its completion, the effective date of the transaction is the date of that substantial performance and both the contract and the transaction actually effecting completion are notifiable transactions. Additional tax may be payable on completion if the amount chargeable is greater than that previously paid on the contract. If a contract which has been substantially performed but not completed is (in whole or in part) rescinded, annulled or for any other reason not brought into effect then WRA will, on receipt of a claim (made by amendment), repay tax overpaid.