



# Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017

2017 anaw 1

## PART 2

### THE TAX AND KEY CONCEPTS

#### CHAPTER 3

##### PARTICULAR TRANSACTIONS

###### *Substantial performance*

#### **14 Meaning of substantial performance**

- (1) A contract is substantially performed for the purposes of this Act when—
  - (a) the buyer, or a person connected with the buyer, takes possession of the whole, or substantially the whole, of the subject-matter of the contract, or
  - (b) a substantial amount of the consideration is paid or provided.
- (2) For the purposes of subsection (1)(a)—
  - (a) possession includes receipt of rents and profits or the right to receive them, and
  - (b) it is immaterial whether possession is taken under the contract or under a licence or lease of a temporary character or a tenancy at will.
- (3) For the purposes of subsection (1)(b), a substantial amount of the consideration is paid or provided—
  - (a) if none of the consideration is rent, when the whole or substantially the whole of the consideration is paid or provided;
  - (b) if the only consideration is rent, when the first payment of rent is made;
  - (c) if the consideration includes both rent and other consideration, when the first of the following events occurs—

---

**Status:** *This is the original version (as it was originally enacted).*

---

- (i) the whole or substantially the whole of the consideration other than rent is paid or provided, or
- (ii) the first payment of rent is made.