

CORONAVIRUS (SCOTLAND) (NO.2) ACT 2020

EXPLANATORY NOTES

DETAIL ABOUT PROVISIONS

Schedule 4: Other measures in response to coronavirus

Land and buildings transaction tax: additional amount

146. Schedule 2A of the Land and Buildings Transaction Tax (Scotland) Act 2013 (“the 2013 Act”) makes provision in relation to the additional dwelling supplement (“ADS”) which is an additional amount paid as part of Land and Buildings Transaction Tax (“LBTT”) where certain criteria are met.
147. Paragraph 6(3) amends schedule 2A of the 2013 Act by extending the period within which a previous main residence can be sold and a repayment of the ADS claimed for certain transactions.
148. Paragraph 6(3)(a) inserts a new paragraph 8B into schedule 2A which provides that the transactions to which the extended period for disposal of a previous main residence applies to are those where the effective date of the transaction is between 24 September 2018 and 24 March 2020. For those transactions, the extended period for disposal of a previous main residence will be 36 months.
149. Paragraph 6(3)(b) inserts new sub-paragraphs (3A) to (3D) into paragraph 19 of schedule 2A. Sub-paragraph (3A) provides a power for Scottish Ministers to amend, by order, the period of 36 months. Sub-paragraph (3B) provides a power for the Scottish Ministers to amend, by order, the period of 24 September 2018 to 24 March 2020. Sub-paragraph (3C) provides that the powers may only be exercised where the Scottish Ministers are satisfied that it is appropriate to make the order for a reason related to coronavirus. Sub-paragraph (3D) provides that an order under sub-paragraph (3A) or (3B) may have retrospective effect.