
EXPLANATORY NOTE

(This note is not part of the Regulations)

Part 1 of these Regulations deals with the circumstance in which an application may be made to Revenue Scotland by a buyer to defer payment of tax that is otherwise due.

Regulation 4 provides for when an application is to be made.

Regulation 5 provides for contents of an application where the contingent or uncertain consideration, or an element of it, consists of the carrying out of works or provision of services.

Regulation 6 provides for information to be provided to Revenue Scotland for the purposes of determining whether to accept an application.

Regulation 7 provides for the postponement in certain circumstances of tax pending the making of a decision on an application.

Regulation 8 provides for notice to be given of a decision on an application.

Regulation 9 sets out the grounds on which an application may be refused.

Regulation 10 supplements regulation 9 by providing for what is meant by artificial tax avoidance arrangements.

Regulation 11 provides for the payments and returns required to be made by the applicant where an application is accepted.

Regulation 12 provides for the adjustment of payments made as mentioned in section 41(3) of the Land and Buildings Transaction Tax (Scotland) Act 2013 (“the 2013 Act”).

Regulation 13 provides for applications which have been accepted to have no effect in certain circumstances.

Regulation 14 provides for the time at which returns and payments are to be made under regulation 11 to be varied at the agreement of the applicant and Revenue Scotland in certain circumstances where the consideration, or an element of it, consists of the carrying out of works or provision of services.

Part 2 of these Regulations prescribes evidence required for certain transactions relating to underlying assets consisting of land for the purposes of relief for alternative finance investment bonds.

Regulation 16 prescribes evidence in relation to land and buildings transaction tax which should be provided to Revenue Scotland for the purpose of paragraph 11(1) of schedule 8 to the 2013 Act and applies to the operation of reliefs relating to the transfer of a land asset.

Regulation 17 prescribes evidence in relation to land and buildings transaction tax which should be provided to Revenue Scotland for the purpose of paragraph 20 of schedule 8 to the 2013 Act and applies to the discharge of the security over the land when the conditions for relief are met.

Regulation 18 prescribes evidence in relation to land and buildings transaction tax which should be provided to Revenue Scotland for the purpose of paragraph 21(5) of schedule 8 to the 2013 Act and applies to the substitution of asset when the replacement land is in Scotland.

Regulation 19 prescribes evidence in relation to land and buildings transaction tax which must be provided to Revenue Scotland for the purpose of paragraph 21(6) of schedule 8 to the 2013 Act and applies to the substitution of asset when the replacement land is not in Scotland.