
Changes to legislation: Finance Act 2003, Cross Heading: Calculation of tax chargeable in respect of rent is up to date with all changes known to be in force on or before 29 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

SCHEDULES

SCHEDULE 5

STAMP DUTY LAND TAX: AMOUNT OF TAX CHARGEABLE: RENT

Calculation of tax chargeable in respect of rent

- 2 (1) Tax is chargeable under this Schedule in respect of so much of the chargeable consideration as consists of rent.
- [^{F1}(2) The tax chargeable is the total of the amounts produced by taking the relevant percentage of so much of the relevant rental value as falls within each rate band.
- (3) The relevant percentages and rate bands are determined by reference to whether the relevant land—
- (a) consists entirely of residential property (in which case Table A below applies), or
 - (b) consists of or includes land that is not residential property (in which case Table B below applies).

TABLE A: RESIDENTIAL

<i>Rate bands</i>	<i>Percentage</i>
£0 to [^{F2} £125,000]	0%
Over [^{F2} £125,000]	1%

TABLE B: NON-RESIDENTIAL OR MIXED

<i>Rate bands</i>	<i>Percentage</i>
£0 to £150,000	0%
[^{F3} Over £150,000 but not over £5 million	1%
Over £5 million	2%]

- (4) For the purposes of sub-paragraphs (2) and (3)—
- (a) the relevant rental value is the net present value of the rent payable over the term of the lease, and
 - (b) the relevant land is the land that is the subject of the lease.
- (5) If the lease in question is one of a number of linked transactions for which the chargeable consideration consists of or includes rent, the above provisions are modified.
- (6) In that case the tax chargeable is determined as follows.

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First, calculate the amount of the tax that would be chargeable if the linked transactions were a single transaction, so that—

- (a) the relevant rental value is the total of the net present values of the rent payable over the terms of all the leases, and
- (b) the relevant land is all land that is the subject of any of those leases.

Then, multiply that amount by the fraction:

$$\frac{NPV}{TNPV}$$

where—

NPV is the net present value of the rent payable over the term of the lease in question, and

TNPV is the total of the net present values of the rent payable over the terms of the all the leases.]

Textual Amendments

- F1** Sch. 5 para. 2(2)-(6) substituted for Sch. 5 para. 2(2)-(5) (1.12.2003) by The Stamp Duty Land Tax (Amendment of Schedule 5 to the Finance Act 2003) Regulations 2003 (SI 2003/2914), reg. 2 Sch. para. 1
- F2** Sum in Sch. 5 para. 2(3) substituted (with effect in accordance with s. 162(4) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 162\(2\)](#)
- F3** Words in Sch. 5 para. 2(3) substituted (with effect in accordance with s. 127(12)(13) of the amending Act) by [Finance Act 2016 \(c. 24\), s. 127\(9\)](#)

Modifications etc. (not altering text)

- C1** Sch. 5 para. 2(3) modified (temp.) (21.7.2009) by [Finance Act 2009 \(c. 10\), s. 10\(1\)](#)
- C2** [Sch. 5 para. 2\(3\)](#) modified (temp.) (22.7.2020) by [Stamp Duty Land Tax \(Temporary Relief\) Act 2020 \(c. 15\), s. 1](#) (as amended 10.6.2021) by [2021 c. 26, s. 87\(2\)](#)
- C3** [Sch. 5 para. 2\(3\)](#) modified (temp.) (8.2.2023) by [Stamp Duty Land Tax \(Temporary Relief\) Act 2023 \(c. 2\), s. 1](#)

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Changes and effects yet to be applied to :

- specified provision(s) savings for amendments by 2018 anaw 1, s. 6, Sch. 6 by [S.I. 2019/110 reg. 5](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 57(3) inserted by [2011 c. 11 Sch. 22 para. 4](#)
- s. 87(3)(a)(ia) inserted by [S.I. 2003/2760 Sch. para. 3\(4\)\(a\)](#) (This amendment not applied to [legislation.gov.uk](#). The affecting S.I. is revoked and superseded by [S.I. 2003/2816](#))
- Sch. 12 para. 3(2)(aa) inserted by [2007 asp 3 Sch. 5 para. 32](#) (This effect was superseded by the repeal of Sch. 12 para. 3 by Finance Act 2008 (c. 9), s. 129(4), Sch. 43 para. 16)
- Sch. 12 para. 1A inserted by [2007 c. 15 Sch. 13 para. 147\(2\)](#) (The amending provision was repealed before coming into force.)
- Sch. 12 para. 1A omitted by [2008 c. 9 Sch. 43 para. 9](#) (The amending provision was repealed before coming into force.)