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## SCHEDULES

### [<sup>F1</sup>SCHEDULE 6ZA

#### RELIEF FOR FIRST-TIME BUYERS

##### Textual Amendments

- F1** Sch. 6ZA inserted (with effect in accordance with s. 41(8) of the amending Act) by [Finance Act 2018 \(c. 3\), s. 41\(3\)](#)

### PART 1

#### ELIGIBILITY FOR RELIEF

##### *Eligibility for relief*

- 1 (1) Relief may be claimed for a chargeable transaction if the following conditions are met (but this is subject to sub-paragraph (7)).
- (2) The first condition is that the main subject-matter of the transaction consists of a major interest in a single dwelling (“the purchased dwelling”).
- (3) The second condition is that the relevant consideration for the transaction (other than any consisting of rent) is not more than £500,000.
- (4) The third condition is that the purchaser, or (if more than one) each of the purchasers, is a first-time buyer who intends to occupy the purchased dwelling as the purchaser's only or main residence.
- (5) The fourth condition is that—
- (a) the transaction is not linked to another land transaction, or
  - (b) the transaction is linked only to land transactions that are within sub-paragraph (6).
- (6) A land transaction is within this sub-paragraph if the main subject-matter of the transaction consists of—
- (a) an interest in land that is or forms part of the garden or grounds of the purchased dwelling, or
  - (b) an interest in or right over land that subsists for the benefit of—
    - (i) the purchased dwelling, or
    - (ii) land that is or forms part of the garden or grounds of the purchased dwelling.
- (7) Relief may not be claimed under this paragraph for a chargeable transaction if it is a higher rates transaction for the purposes of paragraph 1 of Schedule 4ZA.

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*Eligibility for relief: linked transactions within paragraph 1(6)*

- 2 (1) Where a land transaction (“the main transaction”) is eligible for relief under paragraph 1 (or would be if it were a chargeable transaction), relief may also be claimed for any chargeable transaction that is linked to the main transaction.
- (2) But relief may not be claimed under this paragraph for a chargeable transaction if the purchaser, or (if more than one) any of the purchasers in relation to the transaction is not a purchaser in relation to the main transaction.

*Eligibility for relief: alternative finance arrangements*

- 3 (1) This paragraph applies in relation to a land transaction which is the first transaction under an alternative finance arrangement entered into between a person and a financial institution.
- (2) The person (rather than the institution) is to be treated as the purchaser in relation to the transaction for the purposes of paragraphs 1(4) and 2(2).
- (3) In this paragraph—  
“alternative finance arrangement” means an arrangement of a kind mentioned in section 71A(1) or 73(1),  
“financial institution” has the meaning it has in those sections (see section 73BA), and  
“first transaction”, in relation to an alternative finance arrangement, has the meaning given by section 71A(1)(a) or (as the case may be) section 73(1)(a)(i).

## PART 2

### THE RELIEF

*The relief*

- 4 If relief is claimed under paragraph 1 or 2 for a chargeable transaction, the amount of tax chargeable in respect of the transaction is to be determined as if in section 55(1B) (amount of tax chargeable: general) for Table A there were substituted—

“Table A: Residential

<i>Relevant consideration</i>	<i>Percentage</i>
So much as does not exceed £300,000	0%
Any remainder (so far as not exceeding £500,000)	5%”

*Withdrawal of relief*

- 5 (1) This paragraph applies if—  
(a) relief is claimed under paragraph 1 or 2 for a chargeable transaction (“the first transaction”), and

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- (b) the effect of another land transaction (“the later transaction”) that is linked to the first transaction is that the first transaction ceases to be a transaction for which relief may be claimed under that paragraph.
- (2) Tax or (as the case may be) additional tax is chargeable on the first transaction as if the claim had not been made.

### PART 3

#### INTERPRETATION

##### “First-time buyer”

- 6 (1) In this Schedule “first-time buyer” means an individual who—
- (a) has not previously been a purchaser in relation to a land transaction the main subject-matter of which was a major interest in a dwelling,
  - (b) has not previously acquired <sup>F2</sup>—
    - (i) an equivalent interest in a dwelling situated in a country or territory outside England, Wales and Northern Ireland, <sup>F3</sup>or
    - (ii) an interest of a kind mentioned in section 117(2) in a dwelling situated in Wales,]
  - (c) has not previously been, or been one of the persons who was, “the person” for the purposes of section 71A or 73 in a case where the main subject-matter of the first transaction within the meaning of the section concerned was a major interest in a dwelling, and
  - (d) would not have been such a person for those purposes in such a case if the provisions mentioned in paragraph (c) had been in force, and had had effect in the country or territory concerned at all material times (subject, where required, to appropriate modifications).
- (2) For the purposes of sub-paragraph (1)(b) and (d), ignore a lease <sup>F4</sup>or, in the case of a dwelling situated in Wales, a term of years absolute] which has less than 21 years to run at the beginning of the day after the date on which it is acquired.

#### Textual Amendments

- F2** Words in Sch. 6ZA para. 6(1)(b) inserted (1.4.2018 with effect in accordance with s. 16(4)(5) of the amending Act) by [Wales Act 2014 \(c. 29\)](#), s. 29(2)(b)(3), [Sch. 2 para. 9A\(2\)\(a\)](#); S.I. 2018/214, [art. 2\(a\)](#)
- F3** Words in Sch. 6ZA para. 6(1)(b) inserted (1.4.2018 with effect in accordance with s. 16(4)(5) of the amending Act) by [Wales Act 2014 \(c. 29\)](#), s. 29(2)(b)(3), [Sch. 2 para. 9A\(2\)\(b\)](#); S.I. 2018/214, [art. 2\(a\)](#)
- F4** Words in Sch. 6ZA para. 6(2) inserted (1.4.2018 with effect in accordance with s. 16(4)(5) of the amending Act) by [Wales Act 2014 \(c. 29\)](#), s. 29(2)(b)(3), [Sch. 2 para. 9A\(3\)](#); S.I. 2018/214, [art. 2\(a\)](#)

##### “Relevant consideration”

- 7 In this Schedule “relevant consideration” means—
- (a) in the case of a transaction that is not one of a number of linked transactions, the chargeable consideration for the transaction, and
  - (b) in the case of a transaction that is one of a number of linked transactions, the total of the chargeable consideration for all those transactions.

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*“Major interest”*

- 8 The main subject-matter of a transaction is not a major interest for the purposes of this Schedule if it is a term of years absolute which has less than 21 years to run at the beginning of the day after the effective date of the transaction.

*What counts as a dwelling*

- 9 (1) This paragraph sets out rules for determining what counts as a dwelling for the purposes of this Schedule.
- (2) A building or part of a building counts as a dwelling if—
- (a) it is used or suitable for use as a single dwelling, or
  - (b) it is in the process of being constructed or adapted for such use.
- (3) Land that is, or is to be, occupied or enjoyed with a dwelling as a garden or grounds (including any building or structure on that land) is taken to be part of that dwelling.
- (4) Land that subsists, or is to subsist, for the benefit of a dwelling is taken to be part of that dwelling.
- (5) The main subject-matter of a transaction is also taken to consist of a major interest in a dwelling if—
- (a) substantial performance of a contract constitutes the effective date of that transaction by virtue of a relevant deeming provision,
  - (b) the main subject-matter of the transaction consists of a major interest in a building, or a part of a building, that is to be constructed or adapted under the contract for use as a single dwelling, and
  - (c) construction or adaptation of the building, or part of a building, has not begun by the time the contract is substantially performed.
- (6) In sub-paragraph (5)—
- “contract” includes any agreement,
  - “relevant deeming provision” means any of sections 44 to 45A or paragraph 5(1) or (2) of Schedule 2A or paragraph 12 of Schedule 17A, and
  - “substantially performed” has the same meaning as in section 44.
- (7) A building or part of a building used for a purpose specified in section 116(2) or (3) is not used as a dwelling for the purposes of sub-paragraphs (2) or (5).
- (8) Where a building or part of a building is used for a purpose mentioned in sub-paragraph (7), no account is to be taken for the purposes of sub-paragraph (2) of its suitability for any other use.]

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