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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations provide for various matters relating to the administration of land transaction tax.

Part 2 of these Regulations sets out the circumstances in which the Welsh Revenue Authority (“WRA”) must issue a certificate following receipt of a land transaction return and other matters relating to the certificate.

Section 65(1) of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (“the LTT Act”) prohibits the Chief Land Registrar of Her Majesty’s Land Registry from amending the register of title in respect of a notifiable land transaction until such a certificate has been produced.

Regulation 3 makes provision about the conditions to be met before a certificate is issued by WRA.

Regulation 4 prescribes the form and content of a certificate issued by WRA.

Regulation 5 makes provision about the issue of a duplicate WRA certificate in cases where the original certificate has been lost or destroyed.

Regulation 6 makes provision about the issue of multiple WRA certificates where a land transaction return is made relating to more than one transaction.

Part 3 of these Regulations prescribes evidence which must be submitted to WRA where relief is claimed under Schedule 11 to the LTT Act in the case of certain land transactions connected to alternative finance investment bonds.

Regulation 7 prescribes evidence which must be provided to WRA by the bond-issuer for the purpose of paragraph 9(1) of Schedule 11 to the LTT Act. The evidence prescribed by this regulation is to demonstrate that a legal charge in favour of WRA has been entered into the register of title maintained by the Chief Land Registrar.

Regulation 8 prescribes evidence which must be provided to WRA by the bond-issuer for the purpose of paragraph 16 of Schedule 11 to the LTT Act. The evidence prescribed by this regulation is to demonstrate that each of conditions 1 to 3 and 5 to 7 has been met to discharge the legal charge registered in pursuance of paragraph 9(1) of that Schedule.

Regulation 9 prescribes evidence which must be provided to WRA by the bond-issuer for the purpose of paragraph 18(4)(a) of Schedule 11 to the LTT Act, where the replacement land is in Wales. The evidence prescribed by this regulation is to demonstrate that the original land has been transferred to the original owner.

Regulation 10 prescribes evidence which must be provided to WRA by the bond-issuer for the purposes of paragraph 18(5) of Schedule 11 to the LTT Act. The evidence prescribed by this regulation is to demonstrate that the original land has been transferred to the original owner, and that conditions 1 to 3 are met in relation to the replacement land, which is not in Wales.

The Welsh Minsters’ Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, it was not considered necessary to carry out a regulatory impact assessment as to the likely costs and benefits of complying with these Regulations.