
WELSH STATUTORY INSTRUMENTS

2024 No. 791

**The Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017
(Amendments to Schedule 5) Regulations 2024**

Amendments to Part 3 of Schedule 5 (Buyer is an individual: multiple dwelling transactions) to the LTT Act

- 4.—(1) Paragraph 17 of Schedule 5 to the LTT Act is amended as follows.
- (2) In sub-paragraph (2)—
- (a) in paragraph (b), for “the period of 3 years ending with the effective date of the transaction concerned” substitute “the permitted period”;
 - (b) in paragraph (d), for “the period of 3 years” substitute “the permitted period”.
- (3) After sub-paragraph (2), insert—
- “(2A) For the purposes of sub-paragraphs (2)(b) and (d), “the permitted period” means—
- (a) the period of 3 years ending with the effective date of the transaction concerned, or
 - (b) any period ending with the effective date of the transaction concerned that is longer than 3 years if the conditions in sub-paragraph (2B) are met.
- (2B) The conditions are—
- (a) a relevant restriction came into force during the period of 3 years beginning with the effective date of the previous transaction (“the relevant period”),
 - (b) the relevant restriction had a substantial adverse effect on the buyer’s ability to acquire a dwelling as a replacement for the buyer’s only or main residence before the end of the relevant period, and
 - (c) the transaction concerned is entered into—
 - (i) on or after 12 July 2024, and
 - (ii) as soon as reasonably practicable.
- (2C) If the conditions in sub-paragraph (2B) are met, the buyer must include a statement in the return in respect of the transaction concerned that explains how the conditions in sub-paragraph (2B) are met.”
- (4) In sub-paragraph (4)—
- (a) in paragraph (b)—
 - (i) after “another land transaction” insert “(“the disposal transaction”);
 - (ii) for “the period of 3 years beginning with the day after the effective date of the transaction concerned” substitute “the permitted period”;
 - (b) in paragraph (c), for “that other land transaction” substitute “the disposal transaction”.
- (5) After sub-paragraph (4), insert—
- “(4A) For the purposes of sub-paragraph (4)(b), “the permitted period” means—

- (a) the period of 3 years beginning with the day after the effective date of the transaction concerned, or
 - (b) any period beginning with the day after the effective date of the transaction concerned that is longer than 3 years if the conditions in sub-paragraph (4B) or sub-paragraph (4C) are met.
- (4B) The conditions are—
- (a) a relevant restriction came into force during the period of 3 years beginning with the day after the effective date of the transaction concerned (“the relevant period”),
 - (b) the relevant restriction had a substantial adverse effect on the ability of the buyer or the buyer’s spouse, former spouse, civil partner or former civil partner to dispose of the major interest in the sold dwelling before the end of the relevant period, and
 - (c) the disposal transaction is entered into—
 - (i) on or after 12 July 2024, and
 - (ii) as soon as reasonably practicable.
- (4C) The conditions are—
- (a) on the effective date of the acquisition of the major interest in the sold dwelling by the buyer or the buyer’s spouse, former spouse, civil partner or former civil partner the sold dwelling had a fire safety defect that a buyer of the interest could not reasonably have known about,
 - (b) a relevant person had a duty (to any extent) to remedy the fire safety defect, and
 - (c) either—
 - (i) the fire safety defect was not remedied on the effective date of the disposal transaction, or
 - (ii) where the fire safety defect was remedied on the effective date of the disposal transaction, the disposal transaction was entered into as soon as reasonably practicable after the fire safety defect was remedied.
- (4D) In sub-paragraph (4C)—
- “fire safety defect” (“*diffyg diogelwch tân*”), in relation to a sold dwelling, means a fire safety defect that is liable to—
- (a) substantially reduce the number of persons interested in purchasing the sold dwelling than would be the case without the defect, or
 - (b) substantially reduce the market value of the sold dwelling than would be the case without the defect;
- “relevant person” (“*person perthnasol*”) means—
- (a) where the major interest in the sold dwelling is a leasehold interest—
 - (i) the landlord of the p who had the major interest, or
 - (ii) the developer of the sold dwelling;
 - (b) where the major interest in the sold dwelling is a freehold interest in commonhold land—
 - (i) the commonhold association for the sold dwelling, or
 - (ii) the developer of the sold dwelling;

- (c) where the major interest in the sold dwelling is a freehold interest (other than an interest in commonhold land), the developer of the sold dwelling.
- (4E) In the definition of “relevant person” in sub-paragraph (4D), “developer” does not include a developer who is also the person who had the major interest.”
- (6) In sub-paragraph (5), for “that other land transaction” substitute “the disposal transaction”.