



Land and Buildings Transaction Tax (Scotland) Act 2013

2013 asp 11

PART 2

KEY CONCEPTS

CHAPTER 3

CHARGEABLE TRANSACTIONS AND CHARGEABLE CONSIDERATION

Deemed market value

22 Deemed market value where transaction involves connected company

- (1) This section applies where the buyer is a company and—
 - (a) the seller is connected with the buyer, or
 - (b) some or all of the consideration for the transaction consists of the issue or transfer of shares in a company with which the seller is connected.
- (2) The chargeable consideration for the transaction is to be taken to be not less than—
 - (a) the market value of the subject-matter of the transaction as at the effective date of the transaction, and
 - (b) if the acquisition is the grant of a lease, the rent.
- (3) In this section—
 - “company” means a body corporate,
 - “shares” includes stock and the reference to shares in a company includes reference to securities issued by a company.
- (4) Where this section applies, paragraph 1 of schedule 1 (exemption of transactions for which there is no chargeable consideration) does not apply.
- (5) But this section has effect subject to any other provision affording exemption or relief from the tax.

Changes to legislation: *There are outstanding changes not yet made by the legislation.gov.uk editorial team to Land and Buildings Transaction Tax (Scotland) Act 2013. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

(6) This section is subject to the exceptions provided for in section 23.

Commencement Information

I1 S. 22 in force at 1.4.2015 by S.S.I. 2015/108, art. 2

23 Exceptions from deemed market value

- (1) Section 22 does not apply in the following cases.
- (2) In the following provisions “the company” means the company that is the buyer in relation to the transaction in question.
- (3) Case 1 is where immediately after the transaction the company holds the property as trustee in the course of a business carried on by it that consists of or includes the management of trusts.
- (4) Case 2 is where—
 - (a) immediately after the transaction the company holds the property as trustee, and
 - (b) the seller is connected with the company only because of section 1122(6) of the Corporation Tax Act 2010 (c.4).
- (5) Case 3 is where—
 - (a) the seller is a company and the transaction is, or is part of, a distribution of the assets of that company (whether or not in connection with its winding up), and
 - (b) it is not the case that—
 - (i) the subject-matter of the transaction, or
 - (ii) an interest from which that interest is derived,
 has, within the period of 3 years immediately preceding the effective date of the transaction, been the subject of a transaction in respect of which group relief was claimed by the seller.

Commencement Information

I2 S. 23 in force at 1.4.2015 by S.S.I. 2015/108, art. 2

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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):

- sch. 2A para. 6(1A) inserted by [S.S.I. 2024/104 art. 6\(a\)](#)
- sch. 2A para. 8(1)(d) inserted by [S.S.I. 2024/104 art. 7\(5\)](#)
- sch. 2A para. 9B9C and cross-headings inserted by [S.S.I. 2024/104 art. 8](#)
- sch. 6A inserted by [S.S.I. 2024/104 sch.](#)