

SCHEDULE 4
RELIEF FOR CERTAIN ACQUISITIONS OF RESIDENTIAL PROPERTY

PART 6

INTERPRETATION

Meaning of “dwelling” and “new dwelling”

- 18 “Dwelling” includes land occupied and enjoyed with the dwelling as its garden or grounds.
- 19 A building or part of a building is a “new dwelling” if—
- (a) it has been constructed for use as a single dwelling and has not previously been occupied, or
 - (b) it has been adapted for use as a single dwelling and has not been occupied since its adaptation.

Meaning of “permitted area”

- 20 “The permitted area”, in relation to a dwelling, means land occupied and enjoyed with the dwelling as its garden or grounds that does not exceed—
- (a) an area (inclusive of the site of the dwelling) of 0.5 of a hectare, or
 - (b) such larger area as is required for the reasonable enjoyment of the dwelling as a dwelling having regard to its size and character.
- 21 Where paragraph 20(b) applies, the permitted area is taken to consist of that part of the land that would be the most suitable for occupation and enjoyment with the dwelling as its garden or grounds if the rest of the land were separately occupied.

Meaning of “acquisition” and “market value” in relation to dwelling and permitted area

- 22 References in this schedule to—
- (a) the acquisition of a dwelling are to the acquisition, by way of grant or transfer, of a major interest in the dwelling,
 - (b) the market value of a dwelling and of the permitted area are, respectively, to the market value of that major interest in the dwelling and of that interest so far as it relates to that area.

Meaning of “house-building company”

- 23 A “house-building company” means a company that carries on the business of constructing or adapting buildings or parts of buildings for use as dwellings.
- 24 References in this schedule to such a company include any company connected with it.

Meaning of “property trader” and “principal”

- 25 (1) A “property trader” means an entity listed in sub-paragraph (2) that carries on the business of buying and selling dwellings.
- (2) The entities are—

Status: This is the original version (as it was originally enacted).

- (a) a company,
- (b) a limited liability partnership,
- (c) a partnership whose partners are all either companies or limited liability partnerships.

(3) A “principal”—

- (a) in relation to a company, means a director,
- (b) in relation to a limited liability partnership, means a member,
- (c) in relation to a partnership mentioned in sub-paragraph (2)(c) means a partner or a principal of a partner.

26 For the purposes of this schedule—

- (a) anything done by or in relation to a company connected with a property trader is treated as done by or in relation to that property trader, and
- (b) references to the principals or employees of a property trader include the principals or employees of any such company.

Meaning of “refurbishment” and “the permitted amount”

27 “Refurbishment” of a dwelling means the carrying out of works that enhance or are intended to enhance the value of the dwelling, but does not include—

- (a) cleaning the dwelling, or
- (b) works required solely for the purpose of ensuring that the dwelling meets minimum safety standards.

28 The “permitted amount”, in relation to the refurbishment of a dwelling, is set out in the following table—

Consideration for acquisition of the dwelling	Permitted amount
Not more than £200,000	£10,000
More than £200,000 but not more than £400,000	5% of the consideration
More than £400,000	£20,000