

Changes to legislation: There are currently no known outstanding effects for the Land and Buildings Transaction Tax (Scotland) Act 2013, PART 3. (See end of Document for details)

[^{F1}SCHEDULE 16D (INTRODUCED BY SECTION 27) GREEN FREEPORTS RELIEF

Textual Amendments

- F1** Sch. 16D inserted (1.10.2023) by The Land and Buildings Transaction Tax (Green Freeports Relief) (Scotland) Order 2023 (S.S.I. 2023/280), art. 1(1), **sch.**

PART 3

KEY TERMS

Transaction land

5. In this schedule, “transaction land”, in relation to a land transaction, means land a chargeable interest in which is the subject matter of the transaction.

Qualifying green freeport land

6. (1) For the purposes of this schedule, transaction land is “qualifying green freeport land” to the extent that, on the effective date of the transaction—
- (a) it is situated in a green freeport tax site, and
 - (b) the buyer intends it to be used exclusively in a qualifying manner.
- (2) In this schedule, “green freeport tax site” means an area in Scotland which—
- (a) is within an area which is identified as a freeport in a document published by, or with the consent of, the Treasury for the purposes of section 113 of the Finance Act 2021 (and not withdrawn), and
 - (b) has been designated by regulations made under that section.

Use of land in a qualifying manner

7. (1) For the purposes of this schedule, transaction land is used in a qualifying manner if it is used in one or more of the following ways—
- (a) it is used by the buyer or a connected person in the course of a commercial trade or profession,
 - (b) it is developed or redeveloped by the buyer or a connected person for use (by any person) in the course of a commercial trade or profession,
 - (c) it is exploited by the buyer or a connected person, in the course of a commercial trade or profession, as a source of rents or other receipts (other than excluded rents).
- (2) But land is not used in a qualifying manner to the extent that it is—
- (a) used as a dwelling or as the garden or grounds of a dwelling (including any building or other structure on such land),
 - (b) developed or redeveloped to become residential property,
 - (c) exploited as a source of rents or other receipts payable by a person using the land as a dwelling or as the garden or grounds of a dwelling, or
 - (d) held (as stock of the business) for resale without development or redevelopment.

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- (3) For the purposes of this paragraph, use of land in the course of a commercial trade or profession includes use of land for a purpose that is ancillary to the use of other land which—
- (a) is situated in a green freeport tax site, and
 - (b) is being used, or developed or redeveloped, in the course of a commercial trade or profession.
- (4) The references in this paragraph to doing something in the course of a commercial trade or profession include doing something in the course of a property rental business.
- (5) In this paragraph—
- “commercial”, in relation to a trade or profession, means carried on—
 - (a) on a commercial basis, and
 - (b) with a view to profit,
 - “excluded rents” means rents within any of classes 2 to 6 in the table in section 605(2) of the Corporation Tax Act 2010,
 - “property rental business” means a property business as defined in Chapter 2 of Part 3 of the Income Tax (Trading and Other Income) Act 2005.]

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