

These notes refer to the Finance Act 2010 (c.13) which received Royal Assent on 8 April 2010

FINANCE ACT 2010

EXPLANATORY NOTES

INTRODUCTION

Section 7: Rate in Respect of Residential Property Where Consideration Over £1m

Background Note

5. SDLT is a tax on land transactions. Purchasers are charged a percentage of the consideration they pay for an interest in land. Currently, the percentage can be 0, 1, 3 or 4 per cent depending on the amount of consideration.
6. The 4 per cent rate currently applies to transactions where the consideration exceeds £500,000. This section introduces an additional, higher, rate of 5 per cent for residential transactions where the consideration exceeds £1 million.