

Accounts & Business Management Limited

Chartered Certified Accountants

Spring Budget 2024

A guide to UK Stamp duty

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Chartered Certified Accountants
Registered in England. Company Registration No: 06438821 VAT Registration No: 938330712
Registered Office: 7A Centre Court, The Oval, Acklam, Middlesbrough TS5 8HP.

ACCA

STAMP DUTY ON SHARES AND SECURITIES

Stamp duty payable on transfer of shares and securities is **0.5%**, subject to the value of the consideration being above £1,000.

Shares transferred to a clearance service or depositary-receipt issuer as a result of the exercise of an option are charged at a higher rate of stamp duty of **1.5%** based on either their market value or the option strike price, whichever is higher. The change applies to options exercised on or after 23 March 2016 which were entered into on or after 25 November 2015.

ENGLAND & NORTHERN IRELAND: STAMP DUTY LAND TAX (SDLT) RATES

Residential properties: 23 September 2022 – 31 March 2025

Property value	UK residents		Non-UK residents	
	Only property	Additional property	Only property	Additional property
Up to £250,000	Nil	3%	2%	5%
Next portion from £250,001 to £925,000	5%	8%	7%	10%
Next portion from £925,001 to £1,500,000	10%	13%	12%	15%
Remaining amount above £1,500,000	12%	15%	14%	17%

Residential properties: From 1 April 2025

Property value	UK residents		Non-UK residents	
	Only property	Additional property	Only property	Additional property
Up to £125,000	Nil	3%	2%	5%
Next portion from £125,001 to £250,000	2%	5%	4%	7%
Next portion from £250,001 to £925,000	5%	8%	7%	10%
Next portion from £925,001 to £1,500,000	10%	13%	12%	15%
Remaining amount above £1,500,000	12%	15%	14%	17%

Note 1: From 1 April 2016, higher rates of SDLT apply on purchases of additional properties by individuals. This rate is also payable by companies and other entities.

Note 2: From 1 April 2021, non-UK residents purchasing a residential property in England and Northern Ireland will be subject to a 2% SDLT surcharge in addition to the main rate SDLT payable by UK residents.

Note 3: Higher rates do not apply while replacing main residence, subject to meeting certain conditions or for purchases under £40,000.

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SDLT for first-time buyers from 23 September 2022 - 31 March 2025 (note 4)	Rates of tax
Up to £425,000	Nil
Next portion from £425,001 to £625,000	5%
Remaining amount above £625,000	Standard rates apply

SDLT for first-time buyers from 1 July 2021-22 September 2022	Rates of tax
Up to £300,000	Nil
Next portion from £300,001 to £500,000	5%
Remaining amount above £500,000	Standard rates apply

Note 4: From 23 September 2022, first-time buyers are eligible to apply for a relief for properties up to the value of £625,000. If the property price is over £625,000, existing SDLT rates apply on the full price as described in the above tables. These temporary changes are implemented until 31 March 2025 via the Stamp Duty Land Tax (Temporary relief) Act 2023.

Note 5: Sliding-scale rates do not apply when residential property is acquired by certain corporates and 'non-natural persons' (companies, partnerships with a company as a partner and collective investment schemes) for more than £500,000. Instead, these entities pay a flat rate of 15% SDLT (17% for non-UK resident entities), subject to relief for qualifying activities or bodies. 'Non-natural persons' may also be subject to the Annual Tax on Enveloped Dwellings (ATED) regime.

Non-residential properties or mixed-use properties

Property or lease premium or transfer value	Rates of tax
Up to £150,000	Nil
The next portion from £150,001 to £250,000	2%
The remaining amount above £250,000	5%

New leasehold properties: SDLT rates on net present value (NPV) of rent: 23 September 2022 – 31 March 2025

Residential property	Non-residential or mixed-use properties	Rates of tax
Up to £250,000	Up to £150,000	Nil
Over £250,000	Next portion from £150,001 to £5m	1%
	Over £5m	2%

New leasehold properties: SDLT rates on net present value (NPV) of rent: From 1 April 2025 onwards

Residential property	Non-residential or mixed-use properties	Rates of tax
Up to £125,000	Up to £150,000	Nil
Over £125,000	Next portion from £150,001 to £5m	1%
	Over £5m	2%

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SCOTLAND: LAND AND BUILDINGS TRANSACTION TAX (LBTT) RATES

Residential properties: from 16 December 2022

Property or lease premium or transfer value	Only property rates	Additional property rates (note 8)
Up to £145,000 (note 7)	Nil	6%
Next portion from £145,001 to £250,000	2%	8%
Next portion from £250,001 to £325,000	5%	11%
Next portion from £325,001 to £750,000	10%	16%
Remaining amount over £750,000	12%	18%

Note 7: First-time Buyer Relief continues to apply in Scotland, increasing the nil-rate band from £145,000 to £175,000 for first-time buyers.

Note 8: Higher rates do not apply while replacing main residence, subject to meeting certain conditions or for purchases under £40,000. The 6% rate will apply to transactions entered into on or after 16 December 2022. For transactions entered into on or before 15 December 2022, the previous 4% rate was applicable.

Non-residential properties or mixed-use properties

Property or lease premium or transfer value	Rates of tax
Up to £150,000	Nil
Next portion from £150,001 to £250,000	1%
Remaining amount over £250,000	5%

Non-residential leasehold properties: Net present value (NPV) of rent

NPV of rent payable	Rates of tax
Up to £150,000	Nil
Next portion from £150,001 to £2m	1%
Remaining amount over £2m	2%

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WALES: LAND TRANSACTION TAX (LTT) RATES

Residential properties: from 10 October 2022

Property value	Only property rates	Additional property rates
Up to £180,000	Nil	4%
Next portion from £180,001 to £225,000	Nil	7.5%
Next portion from £225,001 to £250,000	6%	7.5%
Next portion from £250,001 to £400,000	6%	9%
Next portion from £400,001 to £750,000	7.5%	11.5%
Next portion from £750,001 to £1.5m	10.0%	14.0%
Remaining amount over £1.5m	12.0%	16.0%

Non-residential properties or mixed-use properties

Property or lease premium or transfer value	Rates of tax
Up to £225,000	Nil
Next portion from £225,001 to £250,000	1%
Next portion from £250,001 to £1m	5%
Remaining amount over £1m	6%

Non-residential leasehold properties: LTT rates on NPV of rent

NPV of rent payable	Rates of tax
Up to £225,000	Nil
Next portion from £225,001 to £2m	1%
Remaining amount over £2m	2%

March 2024

ACCA LEGAL NOTICE

This technical factsheet is for guidance purposes only. It is not a substitute for obtaining specific legal advice. While every care has been taken with the preparation of the technical factsheet, neither ACCA nor its employees accept any responsibility for any loss occasioned by reliance on the contents.

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