# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Public consultation on the proposal to extend the land transaction tax higher residential rates 3-year exception and refund periods, in specified circumstances.** |
| **DATE** | **19 December 2023** |
| **BY** | **Rebecca Evans MS, Minister for Finance and Local Government** |

I am pleased to announce the launch of a [public consultation on the proposed legislative amendments to the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (LTTA)](https://www.gov.wales/land-transaction-tax-higher-residential-rates-proposals-to-amend-the-refund-and-exception-rules), to extend the land transaction tax higher residential rates 3-year refund and exception periods, in specified circumstances.

Since the LTTA was passed in 2017, new adverse circumstances have arisen that cause homebuyers and sellers, in some specific circumstances, difficulties with regard to the land transaction tax (LTT) higher residential rates refund and exception rules.

Currently, LTT higher residential rates are charged on transactions including the purchase of a dwelling or dwellings costing £40,000 or more, when the homebuyer owns an interest in one or more other dwelling worth more than £40,000. Refunds and exceptions can apply, but only for up to 3 years from the date of the new purchase.

Experience has shown us that unresolved fire safety defects and emergency restrictions can, at times, impede or prevent transactions so as to render the 3-year refund and exception period too short. The new regulations will allow homebuyers, in specified circumstances, more time to apply for refunds and to claim exceptions.

The consultation closes on 17 March 2024. I encourage all those with an interest to respond. Once the consultation closes, I will give due consideration to the responses and issue a report. My aim is to lay the draft statutory instrument before the Senedd for approval as soon as possible after the consultation closes.

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Senedd returns I would be happy to do so.