

## Stamp Duties

**Stamp duties are charged on transfers of land, shares and interests in partnerships.**

### Shares

The rate of stamp duty/stamp duty reserve tax on transfer of shares and securities is 0.5%.

### Partnerships

Stamp duty continues to apply to transfers of partnership interests, but the amount payable will not exceed the amount that would have been payable on the value of any shares or securities included in the transfer.

Stamp duty land tax (SDLT) applies to the transfer of an interest in land into or out of a partnership or the transfer of an interest in a partnership (where the partnership property includes an interest in land). The charge is based on the market value of the land and the proportionate interest transferred and it applies only to partnerships whose sole or main activity is investing in or dealing in land. There is no longer an SDLT charge on transfers of partnership interests in other partnerships such as professional partnerships, farming partnerships or partnerships carrying on a trade which is not land-related.

### Land

Transfers of property are subject to stamp duty land tax at the follow rates:

Value up to £125,000*	nil
Over £125,000* – £250,000	1%**
Over £250,000 – £500,000	3%
Over £500,000 – £1m***	4%
Over £1m – £2m***	5%
Over £2m (from 22 March 2012)	7%
Over£2m± (from 2 March 2012)	15%

\* £150,000 for non-residential property, and residential property in disadvantaged areas. Special rules apply for new zero-carbon homes.

\*\* First time buyers nil

\*\*\* Residential property only

± purchased by certain persons including corporate bodies

### New Leases

Duty is charged according to the net present value of all the rental payments over the term of the lease (NPV), with a single rate of 1% on residential NPVs over £125,000 and on non-residential NPVs over £150,000.

VAT is excluded from treatment as consideration provided the landlord has not opted to charge VAT by the time the lease is granted.

### Lease premiums

Duty on premiums is the same as for transfers of land (except that the zero rate does not apply where rent of over £600 annually is also payable).