

“ Plain speaking legal advice ”

**Do I Qualify for Stamp Duty Relief
Given to First Time Buyers by the
2010 Budget?**

Do I Qualify For Stamp Duty Relief Given to First Time Buyers By The 2010 Budget?

“ Plain speaking legal advice ”

In the Budget on 24th March 2010 the Government announced a tax relief to the effect that provided certain criteria were met purchasers of residential property would not be required to pay Stamp Duty Land Tax (SDLT).

In order to qualify for the relief all of the qualifying criteria must be met. Those criteria are:

1. The purchase must be completed on or after 25th March 2010,
2. The property purchased must be a residential property,
3. The purchasers must intend to occupy the property as their only or main residence,
4. The purchase must not (except in some very limited circumstances) be linked to any other transaction,
5. The price paid must not exceed £250000. This criterion is slightly different if the property is a NewBuild Shared Ownership property. This is explained in a separate factsheet available for download from our website.
6. The purchaser (or all of them if it is a joint purchase) must not have previously owned a residential property anywhere in the world.
- 7.

Frequently asked Questions

Q1: How do I claim the relief?

A: Provided you satisfy the criteria we will include the claim for relief in the SDLT return which must be sent to the Tax office on completion of your purchase.

Q2: How will the Government know if I am a first time buyer?

A. The tax return which has to be sent to the Tax Office on completion of your purchase must confirm whether or not you qualify for the relief. It is a criminal offence to give incorrect information in that tax return.

www.herrington-carmichael.com

This publication is written as a general guide only. It is not intended to contain definitive legal advice, which should be sought as appropriate in relation to a particular matter.

“ Plain speaking legal advice ”

Q3: I am buying with my partner but one of us owned a property before. Do we qualify?

A: No. To qualify for the relief all the buyers must be buying for the first time.

Q4: I previously owned a property with my spouse or partner. Following a separation or divorce I am buying on my own for the first time. Do I qualify?

A. No. As you have owned a property before you are not a first time buyer

Q4: I previously owned a property with my spouse or partner. Following a separation or divorce the property is being transferred to my sole name. Do I qualify?

A. No. As you are already a joint owner you are not a first time buyer.

Q5: I am a first time buyer but the property will be lived in by somebody else. Do I qualify?

A. No. You must be buying a property which you intend to use as your only or main residence.

Q6: I have previously inherited a residential property but am now buying for the first time. Do I qualify?

A. No. Your ownership of the inherited property (even if you have sold it or never lived in it) means you do not qualify.

Q7: Does the purchase of a shared ownership property qualify?

A. If the property is not newly built and all of the criteria set out above are met then yes. Slightly different rules apply if the shared ownership property is newly built or being sold for the first time. These rules are explained in a separate factsheet available for download from our website.

“ Plain speaking legal advice ”

How can Herrington & Carmichael help you?

With us you can be assured that you will be dealing with a dedicated and hardworking team of conveyancing specialists.

The people who will work for you deal only with conveyancing and therefore possess the expertise and practical experience to assist and guide you throughout the transaction and to help you claim the relief if you qualify. Whatever issues arise they will know how to help.

You will be given direct telephone numbers and email addresses for the people working for you. Our main switchboard telephone lines are manned between 8.00am and 6.00pm Monday to Friday. We understand the stresses and strains that buying and selling a property can cause and some members of our team are available to speak to you on their mobile phones until at least 8.00pm Monday to Friday and between 10.00 am and 4.00pm at weekends

To find out more about how we can help you email us at

residentialproperty@herrington-carmichael.com

Watchmoor Park
Camberley
Surrey
GU15 3YL

tel: 01276 686222

3&4 Market Place
Wokingham
Berks
RG40 1AL

tel: 01189 774045

www.herrington-carmichael.com

This publication is written as a general guide only. It is not intended to contain definitive legal advice, which should be sought as appropriate in relation to a particular matter.