

STAMP DUTY LAND TAX (SDLT)

England and Northern Ireland

If you are planning to purchase residential property, remember that the SDLT thresholds will change from 1 April 2025. In particular, a 0% rate currently applies to the first £250,000 of the purchase price. It will only apply to the first £125,000 of the purchase price from 1 April 2025. The new threshold created between £125,001 and £250,000 will be subject to a rate of 2%.

For first-time buyers, the 0% rate currently applies to the first £425,000 (of properties costing up to £625,000), and this will drop to £300,000 on 1 April 2025 (for properties costing up to £500,000).

Tiered SDLT rates apply above the 0% bands, starting with the new 2% rate mentioned.

SDLT surcharges apply to purchasers of 'additional dwellings' (i.e. when they already own one dwelling), and to companies.

Scotland and Wales

Property purchasers in Scotland and Wales do not pay SDLT. Rather, if you buy a property in Scotland, you pay Land and Buildings Transaction Tax, and in Wales, you pay Land Transaction Tax. Both regimes have recently applied increases to the rates applicable on the purchase of 'additional dwellings'.