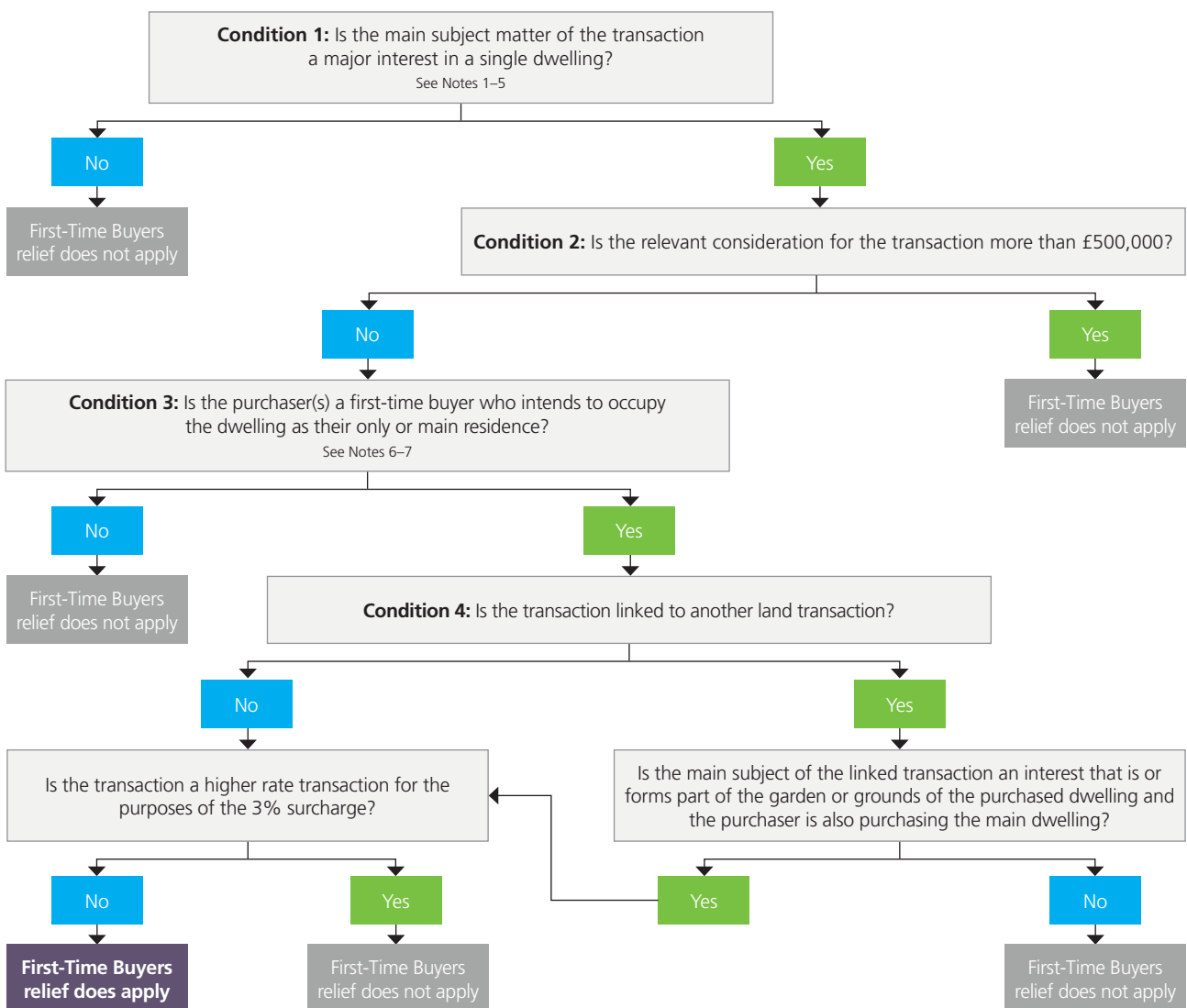


First-Time Buyers Relief

Finance Act 2018



Relevant consideration	Percentage
Up to £300,000	0%
£300,000-£500,000	5%

Further Considerations

1. The main subject matter of a transaction is not a major interest, if it is a term of years absolute which has less than 21 years to run at the beginning of the day after the effective date of the transaction.
2. A building or part of a building counts as a dwelling if:
 - (a) it is used or suitable for use as a single dwelling, or
 - (b) it is in the process of being constructed or adapted for such use.
3. Land that is, or is to be, occupied or enjoyed with a dwelling as a garden or grounds (including any building or structure on that land) is taken to be part of that dwelling.
4. Land that subsists, or is to subsist, for the benefit of a dwelling is taken to be part of that dwelling.
5. The main subject-matter of a transaction is also taken to consist of a major interest in a dwelling if:
 - (a) substantial performance of a contract constitutes the effective date of that transaction by virtue of a relevant deeming provision,
 - (b) the main subject-matter of the transaction consists of a major interest in a building, or a part of a building, that is to be constructed or adapted under the contract for use as a single dwelling, and
 - (c) construction or adaptation of the building, or part of a building, has not begun by the time the contract is substantially performed.
6. First-time buyer means an individual who:
 - (a) has not previously been a purchaser in relation to a land transaction the main subject-matter of which was a major interest in a dwelling,
 - (b) has not previously acquired an equivalent interest in a dwelling situated in a country or territory outside England, Wales and Northern Ireland,
 - (c) has not previously been, or been one of the persons who was, "the person" for the purposes of section 71A or 73 in a case where the main subject-matter of the first transaction within the meaning of the section concerned was a major interest in a dwelling, and
 - (d) would not have been such a person for those purposes in such a case if the provisions mentioned in paragraph (c) had been in force, and had had effect in the country or territory concerned at all material times (subject, where required, to appropriate modifications).
7. Consideration required of what constitutes a 'main residence' – case law of *Frost v Feltham* (55TC10) is useful.