
Changes to legislation: There are currently no known outstanding effects for the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, Paragraph 3. (See end of Document for details)

SCHEDULE 6

LEASES

PART 2

DURATION OF LEASE AND TREATMENT OF OVERLAPPING LEASES

Leases that continue after a fixed term

- 3 (1) This paragraph applies to—
- (a) a lease granted for a fixed term and thereafter until terminated, or
 - (b) a lease granted for a fixed term that may continue beyond the fixed term by operation of law.
- (2) For the purposes of this Act (except section 46 (notifiable transactions: exceptions)) a lease to which this paragraph applies is treated—
- (a) in the first instance as if it were a lease for the original fixed term and no longer;
 - (b) if the lease continues after the end of that term, as if it were a lease for a fixed term one year longer than the original fixed term;
 - (c) if the lease continues after the end of the term resulting from the application of paragraph (b), as if it were a lease for a fixed term two years longer than the original fixed term,
- and so on (but see sub-paragraph (5)).
- (3) For the purposes of section 46 (notifiable transactions: exceptions) a lease to which this paragraph applies is treated as granted for a period equal to the original fixed term.
- (4) Where—
- (a) a lease is treated, by virtue of sub-paragraph (2), as continuing for a period longer than the original fixed term, and
 - (b) as a result additional tax is payable in respect of a land transaction or tax is payable in respect of a land transaction where none was payable,
- the buyer must make a return or further return (including a self-assessment) in respect of the land transaction before the end of the period of 30 days beginning with the day after the end of the period for which the lease is treated as continuing.
- (5) Where—
- (a) a lease would, by virtue of sub-paragraph (2), be treated as continuing for a period (or further period) of one year, but
 - (b) it actually terminates at a time during that one year period,
- the lease is to be treated as continuing under sub-paragraph (2) only until it terminates; and sub-paragraph (4) applies accordingly.
- (6) This paragraph is subject to paragraphs 4 and 8 (rent under a continuing lease to be treated as rent under a new lease).

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Commencement Information

II Sch. 6 para. 3 in force at 1.4.2018 by S.I. 2018/34, **art. 3**

Changes to legislation:

There are currently no known outstanding effects for the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, Paragraph 3.