



OFFERYNNAU STATUDOL
CYMRU

WELSH STATUTORY
INSTRUMENTS

2020 Rhif 1618 (Cy. 339)

2020 No. 1618 (W. 339)

**TRETH TRAFODIADAU TIR,
CYMRU**

**LAND TRANSACTION TAX,
WALES**

**Rheoliadau Treth Trafodiadau Tir
(Bandiau Treth a Chyfraddau Treth)
(Cymru) (Diwygio) 2020**

**The Land Transaction Tax (Tax
Bands and Tax Rates) (Wales)
(Amendment) Regulations 2020**

NODYN ESBONIADOL

EXPLANATORY NOTE

(Nid yw'r nodyn hwn yn rhan o'r Rheoliadau)

(This note is not part of the Regulations)

Mae'r Rheoliadau hyn yn diwygio Rheoliadau Treth Trafodiadau Tir (Bandiau Treth a Chyfraddau Treth) (Cymru) 2018 (O.S. 2018/128) ("Rheoliadau 2018") er mwyn mewnosod bandiau treth a chyfraddau treth canrannol diwygiedig ar gyfer trafodiadau eiddo preswyl cyfraddau uwch, trafodiadau eiddo amhreswyl a chydnyddiaeth drethadwy sydd ar ffurf rhent.

These Regulations amend the Land Transaction Tax (Tax Bands and Tax Rates) (Wales) Regulations 2018 (S.I. 2018/128) ("the 2018 Regulations") so as to insert revised tax bands and percentage tax rates for higher rates residential property transactions, non-residential property transactions and chargeable consideration which consists of rent.

Mae rheoliad 3 yn cymhwyso'r bandiau treth a'r cyfraddau treth canrannol diwygiedig at y trafodiadau tir a nodwyd uchod pan fo dyddiad effeithiol y trafodiad hwnnw yn syrthio ar neu ar ôl 22 Rhagfyr 2020.

Regulation 3 applies the revised tax bands and percentage tax rates to the aforementioned land transactions where the effective date of the transaction falls on or after 22 December 2020.

Mae rheoliad 4 yn mynd ymlaen i nodi eithriadau i gymhwysiad cyffredinol y bandiau treth a'r cyfraddau treth canrannol diwygiedig mewn perthynas â thrafodiadau eiddo preswyl cyfraddau uwch yn unig. Pan fo dyddiad effeithiol y trafodiadau hyn yn syrthio ar neu ar ôl 22 Rhagfyr 2020, ond pan gafodd contractau eu cyfnewid neu pan gafodd y contract hwnnw ei gyflawni i raddau sylweddol cyn 22 Rhagfyr 2020, bydd y bandiau treth a'r cyfraddau treth canrannol blaenorol yn dal yn gymwys, oni bai bod un o'r eithriadau a nodir yn rheoliad 5 yn gymwys.

Regulation 4 goes on to set out exceptions to the general application of the revised tax bands and percentage tax rates in respect of higher rates residential property transactions only. Where the effective date for such transactions falls on or after 22 December 2020, but where contracts were exchanged or the substantial performance of that contract took place prior to 22 December 2020, the previous tax bands and percentage tax rates will continue to apply, unless one of the exclusions set out in regulation 5 applies.

Mae rheoliad 6 yn nodi'r bandiau treth a'r cyfraddau treth canrannol diwygiedig a fydd yn gymwys i'r trafodiadau a bennir yn rheoliad 3.

Regulation 6 sets out the revised tax bands and percentage tax rates that are to apply to the transactions specified in regulation 3.

Ystyriwyd Cod Ymarfer Gweinidogion Cymru ar gynnal Aseidiadau Effaith Rheoleiddiol mewn perthynas â'r Rheoliadau hyn. O ganlyniad, lluniwyd Aseidiad Effaith Rheoleiddiol o'r costau a'r manteision sy'n debygol o ddeillio o gydymffurfio â'r Rheoliadau hyn. Gellir cael copi oddi wrth Lywodraeth Cymru, Parc Cathays, Caerdydd CF10 3NQ ac ar wefan Llywodraeth Cymru yn www.llyw.cymru.

The Welsh Ministers' Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, a Regulatory Impact Assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from the Welsh Government, Cathays Park, Cardiff CF10 3NQ and on the Welsh Government's website at www.gov.wales.

2020 Rhif 1618 (Cy. 339)

**TRETH TRAFODIADAU TIR,
CYMRU**

Rheoliadau Treth Trafodiadau Tir
(Bandiau Treth a Chyfraddau Treth)
(Cymru) (Diwygio) 2020

Cymeradwywyd gan Senedd Cymru

Gwnaed am 10.20 p.m. ar 21 Rhagfyr 2020

*Gosodwyd gerbron Cynulliad Cenedlaethol
Cymru am 5.00 p.m. ar 21 Rhagfyr 2020*

Yn dod i rym 22 Rhagfyr 2020

Mae Gweinidogion Cymru yn gwneud y Rheoliadau a ganlyn drwy arfer y pwerau a roddir iddynt gan adrannau 24(1) a 78(1) o Ddeddf Treth Trafodiadau Tir a Gwrthweithio Osgoi Trethi Datganoledig (Cymru) 2017(1).

Enwi a chychwyn

1. Enw'r Rheoliadau hyn yw Rheoliadau Treth Trafodiadau Tir (Bandiau Treth a Chyfraddau Treth) (Cymru) (Diwygio) 2020 a deuant i rym ar 22 Rhagfyr 2020.

Dehongli

2. Yn y Rheoliadau hyn, ystyr —

- (a) “Rheoliadau 2018” (“*the 2018 Regulations*”) yw Rheoliadau Treth Trafodiadau Tir (Bandiau Treth a Chyfraddau Treth) (Cymru) 2018(2).

2020 No. 1618 (W. 339)

**LAND TRANSACTION TAX,
WALES**

The Land Transaction Tax (Tax
Bands and Tax Rates) (Wales)
(Amendment) Regulations 2020

Approved by Senedd Cymru

Made at 10.20 a.m. on 21 December 2020

*Laid before Senedd
Cymru at 5.00 p.m. on 21 December 2020*

Coming into force 22 December 2020

The Welsh Ministers make the following Regulations in exercise of the powers conferred on them by sections 24(1) and 78(1) of the Land Transaction Tax and Anti-Avoidance of Devolved Taxes (Wales) Act 2017(1).

Title and commencement

1. The title of these Regulations is the Land Transaction Tax (Tax Bands and Tax Rates) (Wales) (Amendment) Regulations 2020 and they come into force on 22nd December 2020.

Interpretation

2. In these Regulations,—

- (a) “the 2018 Regulations” means the Land Transaction Tax (Tax Bands and Tax Rates) (Wales) Regulations 2018(2).

(1) 2017 decc 1.

(2) O.S. 2018/128 (Cy. 32) fel y'i diwygiwyd gan O.S. 2020/794 (Cy. 174).

(1) 2017 anaw 1.

(2) S.I. 2018/128 (W. 32), as amended by S.I. 2020/794 (W. 174).

- (b) Mae i eiriau ac ymadroddion a ddefnyddir yn y Rheoliadau hyn yr un ystyr ag sydd iddynt yn Neddf Treth Trafodiadau Tir a Gwrthweithio Osgoi Trethi Datganoledig (Cymru) 2017.

Cymhwys

3. Yn ddarostyngedig i reoliad 4, mae'r Rheoliadau hyn yn cael effaith mewn perthynas â'r trafodiadau tir a ganlyn sydd â dyddiad effeithiol ar neu ar ôl 22 Rhagfyr 2020—

- (a) trafodiadau eiddo preswyl cyfraddau uwch y mae Tabl 2 o'r Atodlen i Reoliadau 2018 yn gymwys iddynt;
- (b) trafodiadau eiddo amhreswyl y mae Tabl 3 o'r Atodlen i Reoliadau 2018 yn gymwys iddynt; a
- (c) cydnabyddiaeth drethadwy sydd ar ffurf rhent y mae Tabl 4 o'r Atodlen i Reoliadau 2018 yn gymwys iddi.

4. Nid yw'r Rheoliadau hyn yn cael effaith mewn perthynas ag unrhyw drafodiad a bennir yn rheoliad 3(a) (trafodiadau eiddo preswyl cyfraddau uwch)—

- (a) y rhoddwyd effaith iddo yn unol â chontract yr ymrwymwyd iddo ac a gyflawnwyd yn sylweddol cyn 22 Rhagfyr 2020; neu
- (b) y rhoddwyd effaith iddo yn unol â chontract yr ymrwymwyd iddo cyn 22 Rhagfyr 2020 ac nad yw wedi ei hepgor gan reoliad 5.

5. Mae trafodiad wedi ei hepgor gan y rheoliad hwn os yw'n drafodiad a bennir yn rheoliad 3(a) y rhoddwyd effaith iddo yn unol â chontract yr ymrwymwyd iddo cyn 22 Rhagfyr 2020—

- (a) pan geir unrhyw amrywiad i'r contract, neu pan aseir hawliau o dan y contract, ar neu ar ôl 22 Rhagfyr 2020;
- (b) pan roddir effaith i'r trafodiad o ganlyniad i arfer unrhyw opsiwn, hawl rhagbrynu neu hawl debyg ar neu ar ôl 22 Rhagfyr 2020; neu
- (c) pan geir, ar neu ar ôl 22 Rhagfyr 2020, aseiniad, is-werthiant neu drafodiad arall yn ymwneud â'r cyfan neu ran o bwnc y contract, y caiff person heblaw'r prynwr o dan y contract hawl i alw am drawsgludiad o ganlyniad iddo.

- (b) Words and expressions used in these Regulations have the same meaning as they have in the Land Transaction Tax and Anti-Avoidance of Devolved Taxes (Wales) Act 2017.

Application

3. Subject to regulation 4, these Regulations have effect in relation to the following land transactions with an effective date on or after 22 December 2020—

- (a) higher rates residential property transactions to which Table 2 of the Schedule to the 2018 Regulations applies;
- (b) non-residential property transactions to which Table 3 of the Schedule to the 2018 Regulations applies; and
- (c) chargeable consideration which consists of rent to which Table 4 of the Schedule to the 2018 Regulations applies.

4. These Regulations do not have effect in relation to any transaction specified in regulation 3(a) (higher rates residential property transactions) which is—

- (a) effected in pursuance of a contract entered into and substantially performed before 22 December 2020; or
- (b) effected in pursuance of a contract entered into before 22 December 2020 and not excluded by regulation 5.

5. A transaction is excluded by this regulation if it is a transaction specified in regulation 3(a) which is effected in pursuance of a contract entered into before 22 December 2020 and where—

- (a) there is any variation of the contract, or assignment of rights under the contract, on or after 22 December 2020;
- (b) the transaction is effected in consequence of the exercise on or after 22 December 2020 of any option, right of pre-emption or similar right; or
- (c) on or after 22 December 2020 there is an assignment, subsale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.

Diwygio Rheoliadau Treth Trafodiadau Tir (Bandiau Treth a Chyfraddau Treth) (Cymru) 2018

6.—(1) Mae'r Atodlen i Reoliadau 2018 wedi ei diwygio fel a ganlyn—

(2) Yn lle Tabl 2 rhodder—

“Tabl 2: Trafodiadau eiddo preswyl cyfraddau uwch

<i>Band treth</i>	<i>Y gydnabyddiaeth berthnasol</i>	<i>Y gyfradd dreth ganrannol</i>
Y band treth cyntaf	Nid mwy na £180,000	4%
Yr ail fand treth	Mwy na £180,000 ond nid mwy na £250,000	7.5%
Y trydydd band treth	Mwy na £250,000 ond nid mwy na £400,000	9%
Y pedwerydd band treth	Mwy na £400,000 ond nid mwy na £750,000	11.5%
Y pumed band treth	Mwy na £750,000 ond nid mwy na £1,500,000	14%
Y chweched band treth	Mwy na £1,500,000	16%

”;

(3) Yn lle Tabl 3 rhodder—

“Tabl 3: Trafodiadau eiddo amhreswyl

<i>Band treth</i>	<i>Y gydnabyddiaeth berthnasol</i>	<i>Y gyfradd dreth ganrannol</i>
Band cyfradd sero	Nid mwy na £225,000	0%
Y band treth cyntaf	Mwy na £225,000 ond nid mwy na £250,000	1%
Yr ail fand treth	Mwy na £250,000 ond nid mwy na £1,000,000	5%
Y trydydd band treth	Mwy na £1,000,000	6%

”; a

Amendment of the Land Transaction Tax (Tax Bands and Tax Rates) (Wales) Regulations 2018

6.—(1) The Schedule to the 2018 Regulations is amended as follows—

(2) For Table 2 substitute—

“Table 2: Higher rates residential property transactions

<i>Tax band</i>	<i>Relevant consideration</i>	<i>Percentage tax rate</i>
First tax band	Not more than £180,000	4%
Second tax band	More than £180,000 but not more than £250,000	7.5%
Third tax band	More than £250,000 but not more than £400,000	9%
Fourth tax band	More than £400,000 but not more than £750,000	11.5%
Fifth tax band	More than £750,000 but not more than £1,500,000	14%
Sixth tax band	More than £1,500,000	16%

”;

(3) For Table 3 substitute—

“Table 3: Non-residential property transactions

<i>Tax band</i>	<i>Relevant consideration</i>	<i>Percentage tax rate</i>
Zero rate band	Not more than £225,000	0%
First tax band	More than £225,000 but not more than £250,000	1%
Second tax band	More than £250,000 but not more than £1,000,000	5%
Third tax band	More than £1,000,000	6%

”; and

(4) Yn lle Tabl 4 rhodder—

“Tabl 4: Cydnabyddiaeth drethadwy sydd ar ffurf rhent

<i>Band treth</i>	<i>Y gydnabyddiaeth berthnasol</i>	<i>Y gyfradd dreth ganrannol</i>
Band cyfradd sero LA	Nid mwy na £225,000	0%
Y band treth cyntaf	Mwy na £225,000 ond nid mwy na £2,000,000	1%
Yr ail fand treth	Mwy na £2,000,000	2%

”.

(4) For table 4 substitute—

“Table 4: Chargeable consideration which consists of rent

<i>Tax band</i>	<i>Relevant consideration</i>	<i>Percentage tax rate</i>
NRL zero rate band	Not more than £225,000	0%
First tax band	More than £225,000 but not more than £2,000,000	1%
Second tax band	More than £2,000,000	2%

”.

Rebecca Evans

Y Gweinidig Cyllid a'r Trefnydd, un o Weinidogion Cymru
Am 10.20 a.m. ar 21 Rhagfyr 2021

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Minister for Finance and Trefnydd, one of the Welsh Ministers
At 10.20 a.m. on 21 December 2021

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