

Stamp duty land tax rates

The SDLT in most cases is based on the amount or value of the consideration (including VAT where applicable) given for the subject matter of the transaction.

The rate of SDLT depends on whether the property is exclusively residential, includes non-residential property or is residential buy-to-let or second property being acquired by individuals, trusts or companies.

Residential land or property (purchase) – SDLT rates from 4 December 2014

The rate of SDLT is applied only to the amount of relevant consideration falling within each tax band. The rates are as follows:

Relevant consideration	SDLT rate	Higher SDLT rate on certain purchases of buy-to-let and second property from 1 April 2016
Up to £125,000	0%	3%
£125,001 – £250,000	2%	5%
£250,001 – £925,000	5%	8%
£925,001 – £1,500,000	10%	13%
£1,500,001 +	12%	15%

SDLT rates for non-residential or mixed use properties (purchase)

With effect from 17 March 2016, non-residential property is subject to SDLT under a progressive system rather than the 'old' slab system.

Non-residential property is any property that is not residential property. Mixed use property is treated in the same way as non-residential property.

Relevant consideration	SDLT rate from 17 March 2016
Up to £150,000	0%
£150,001 – £250,000	2%
£250,001 +	5%

Higher rate of tax for non-natural persons (the super-rate)

A higher SDLT rate of 15% for acquisitions of residential property made by 'non-natural persons' was introduced from 21 March 2012 as a deterrent to perceived SDLT avoidance. It was the first of three measures aimed at discouraging ownership of high value residential property by such persons, with the other two provisions (the annual tax on enveloped dwellings (ATED) and the ATED-related capital gains tax charge).

For more information on ATED, see our flyer 'The ATED return for high-value residential property'.