

# BRIEFING



Budget 2010

26<sup>th</sup> March 2010

## **Budget 2010 – the new 5% rate of SDLT from April 2011**

The Chancellor announced a new rate of 5% for SDLT on residential property worth over £1 million on purchases which legally complete on or after 6<sup>th</sup> April 2011.

Residential property is defined in the 2003 Finance Act (S116) which introduced SDLT when it replaced the former Stamp Duty. The definition of residential property is: a building that is used or suitable for use as a dwelling, and the garden or land on which it sits.

It is our understanding of the Budget announcement that it is restricted to property worth over £1 million and does not extend to land for development.

**John Stewart**  
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