**Chapter 20: Taxation in Family Law**

Chapter 20 outlines changes to SDLT (Stamp Duty Land Tax) rates.

**20.5 Stamp Duty Land Tax**

Stamp duty is charged in respect of ‘land transactions’, which are broadly the transfer of interests of land. The amount of stamp duty is based on the amount of consideration provided for the land. Most commonly, this tax is encountered during house sales and purchases and should be taken into account when calculating the money available to the parties. The rates for first-time buyers are slightly different and should be checked if applicable. The Government announced that from 8 July 2020 to 31 March 2021 and then to 30th September 2021, the rates temporarily changed and the special rules for first—time buyers were replaced by the reduced rates. The rates after this date are found in the table below.

The current rates are shown in **Table** **20.1**:

Table 20.1 Stamp Duty Rates from 1st October 2021

| Residential property—purchase price | Rate of stamp duty land tax |
| --- | --- |
| £0-£125,000 | 0% |
| £125,000- £250,000 | 2% |
| £250,000-£925,000 | 5% |
| £925,000-£1,5m | 10% |
| £1.5 m + | 12% |