



Stamp Duty Explained

Stamp duty is a tax you'll have to pay if you buy a property or land over a specific price. This applies in England and Northern Ireland.

You pay stamp duty at these rates if, after buying the property, it is the only residential property you own. You usually pay 3% on top of these rates if you own another residential property.

Property or lease premium or transfer value	SDLT rate
Up to £250,000	0%
The next £675,000 (the portion from £250,001 to £925,000)	5%
The next £575,000 (the portion from £925,001 to £1.5 million)	10%
The remaining amount (the portion above £1.5 million)	12%

First-time buyers

First-time buyers will not have to pay SDLT on a property that is worth £425,000 or below. 5% SDLT on the portion from £425,001 to £625,000.

If the price is over £625,000, you cannot claim relief.

Owning more than one property – Buy to let/second homes

Individuals purchasing a Buy to Let property, or a second home will be subject to different rulings than Residential purchases. The higher rate for Buy to Let/Second home purchases applies on top of revised standard rates above from 23rd September 2022.

The following rates apply:

Purchase price of property	Rate*
Up to £250,000	0%
Over £250,000 to £925,000	5%
Over £925,000 to £1.5 million	10%
Over £1.5 million	12%

Shared Ownership property

If you're purchasing a property through a Shared Ownership scheme, you may have to pay SDLT. This depends on the property value and the housing programme you are purchasing from.

If you are required to pay SDLT, you can choose to either:

- Make a one-off payment
- Pay SDLT in stages

When do you pay SDLT?

You have 14 days from the date of completion to pay your SDLT.

The date of completion is the day all the contracts have been signed and dated – and usually the day when you get the keys to your new home. In most cases, your solicitor or conveyancer will take care of paying the SDLT on your behalf and they should confirm this for you. If you take longer than 14 days, you could be subject to a fine and you may even have to pay interest on top.

Stamp duty exemptions

There are a few types of property transaction where you don't have to pay SDLT.

These include:

- A divorce or separation where one partner is transferring their share of the property to the other.
- If the property is a gift
- If the property is left in a Will
- If you buy a property that meets the 0% rate value

This guide has been pulled together with information from the Government website. For full information please visit: <https://gov.uk>