Local variation to land transaction tax rates for second homes, short-term holiday lets and potentially other additional residential properties

Q1. Do you agree that the Welsh Government should be able to increase rates of LTT for second homes and short-term holiday lets in areas where there is an evidenced case to do so?

Yes/No

Q2. What are your views on whether the size of areas covered by local variations of rates should be local authority- wide or only in smaller communities?

Q3. In your view, what procedure should be used to determine whether an area should be subject to increased rates?

Q4. If criteria are used to determine which areas are subject to increases in rates, what do you think the criteria should be?

Q5. What are your views on how regularly areas where increased rates apply should be reviewed?

Q6. What are your views on:

* varying the existing higher rates for all higher rate transactions within a specified area? or
* introducing new rates applied only to purchases of properties intended to be used as second homes or short-term holiday lets within a specified area?

Q7. Does the size of the area (the whole of the local authority or smaller areas within it) in which increased rates would apply influence your views on whether separate rates for second homes and short-term holiday lets are necessary?

Q8. Do you agree short-term holiday lets should be subject to any increased rates, as well as second homes? Please explain your answer.

Q9. Do you agree properties which cannot be occupied for all of the year should not be subject to any increased rates? Please explain your answer.

Q10. Are there any current higher rates transactions, other than second homes and short-term holiday lets, for which you think increased rates may also be appropriate? Please explain your answer.

Q11 Do you agree that there should be a clawback rule so that if within a specified period after the date of the transaction, the use of the property changes to one on which increased rates would have been payable, the taxpayer should have to submit a new return and pay the additional tax?

Q12. Are there any circumstances where such clawback rules would apply, but you do not consider that it would be appropriate or fair?

Q13 If a property was bought where the buyer’s intention was to use it as a second home or short-term holiday let but it is not then used in this way, do you think the taxpayer should be able to claim a refund of the additional tax?

Q14. What length of time do you think would be appropriate for a clawback and/or refund period?

Q15. If rates are introduced which require consideration of intended use, do you have any comments on how the design could make it simpler for taxpayers to comply with by minimising the scope for error?

Q16. What effects do you think these proposals may have on the Welsh language and communities who predominately use Welsh? How could positive effects be increased, or negative effects mitigated?

Q17. We have asked a number of specific questions. If you have any additional points related to LTT for second homes and short-term holiday lets which have not specifically addressed, please make them here.

**Name:**

**Organisation (if applicable):**

**Email address:**

**Responses to consultations may be made public. To keep your response anonymous (including email addresses) tick the box:**

Submit your comments by 28 March 2022, in any of the following ways:

* complete the response form and email [LTTConsultation@gov.wales](mailto:LTTConsultation@gov.wales)
* complete the response form and post to:

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