

Residential property tax rates under *Land & Building Transaction Tax (LBTT).*

Property Purchase Price	Stamp Duty Land Tax (SDLT)	Land & Building Transaction Tax (LBTT)	LBTT for Second Homes (Inc Additional Dwelling Supplement at 6%)
£125,000	£0	£0	£7,500
£135,000	£0	£0	£8,100
£150,000	£0	£100	£9,100
£200,000	£0	£1,100	£13,100
£250,000	£0	£2,100	£17,100
£275,000	£1,250	£3,350	£19,850
£300,000	£2,500	£4,600	£22,600
£325,000	£3,750	£5,850	£25,350
£350,000	£5,000	£8,350	£29,350
£400,000	£7,500	£13,350	£37,350
£450,000	£10,000	£18,350	£45,350
£500,000	£12,500	£23,350	£53,350
£550,000	£15,000	£28,350	£61,350
£600,000	£17,500	£33,350	£69,350
£650,000	£20,000	£38,350	£77,350
£700,000	£22,500	£43,350	£85,350
£750,000	£25,000	£48,350	£93,350
£800,000	£27,500	£54,350	£102,350
£850,000	£30,000	£60,350	£111,350
£900,000	£32,500	£66,350	£120,350
£950,000	£36,250	£72,350	£129,350
£1,000,000	£41,250	£78,350	£138,350
£1,250,000	£66,250	£108,350	£183,350
£1,500,000	£91,250	£138,350	£228,350
£1,750,000	£121,250	£168,350	£273,350
£2,000,000	£151,250	£198,350	£318,350
£2,250,000	£181,250	£228,350	£363,350
£2,500,000	£211,250	£258,350	£408,350

February 2024

Additional Dwelling Supplement (ADS).

Frequently asked questions

Which house sales does the Additional Dwelling Supplement apply to?

A 6% Additional Dwelling Supplement (ADS) is levied on purchases of all second homes (including buy-to-let properties) from 16th December 2022: this is an increase from the previous 4% in Scotland, and the current 3% rate in England and Wales.

This will include all purchases undertaken by companies and individuals. It will be levied on purchases over £40,000 and will apply to the whole purchase price (not just that part above £40,000).

The supplement does not apply to those with only one property and will not apply if a person is replacing their main residence even if they own multiple properties, however see the proviso below.

I am planning to buy a main residence before selling my old house. Does the supplement apply?

If the purchase of a new main residence occurs before the current main residence is sold, the supplement would be payable, but is refundable as long as the initial property is sold within 18 months of purchase.

If you choose to rent out your former main residence rather than sell it, you will be liable for the supplement.

I am buying a portfolio of properties. How does this affect me?

The supplement will not be chargeable on purchases of six properties or more, which currently qualifies for Multiple Dwellings Relief under LBTT.

I own other residential property outside Scotland. Do I have to pay the supplement?

LBTT applies solely to property bought in Scotland, but property held outside Scotland will be taken into account when determining if the supplement is payable. If an individual with a main residence outside Scotland buys another house in Scotland, they have to pay the supplement.

I am due to inherit a property. Will I have to pay LBTT and a supplement if I already own a property?

Individuals inheriting property are deemed to be the owners of the property. So no LBTT or supplement would be chargeable unless the beneficiary purchases another house.

If you need any further information on how this might affect your situation please contact your local Rettie branch.

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