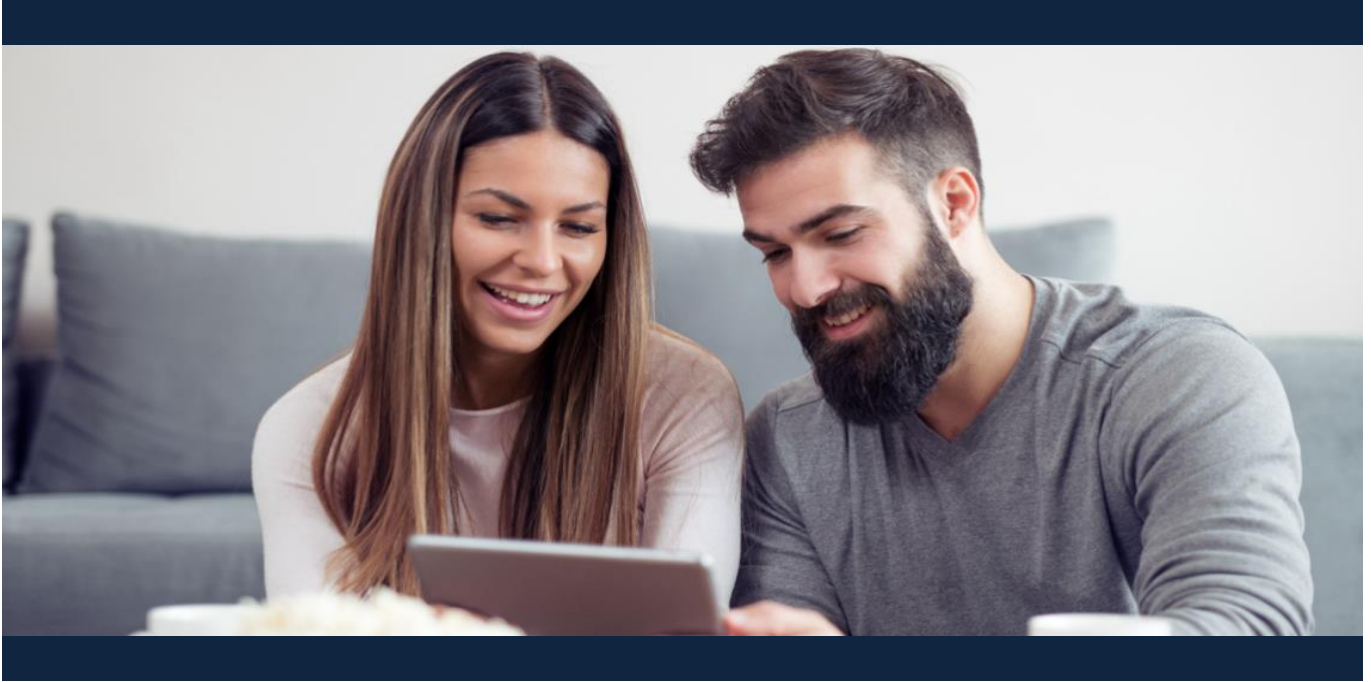


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When you buy a new main residence before selling your existing one, you are typically subject to the **Higher Rate for Additional Dwellings (HRAD)** surcharge, commonly known as the **higher rate of Stamp Duty Land Tax (SDLT)**. However, if you sell your original home within three years of buying the new one, you may be eligible to reclaim the extra SDLT you paid.

Here's the process for reclaiming the higher rate SDLT charge:

Eligibility

You must have paid the higher rate of SDLT because you owned two properties at the time of the new purchase. You must have sold your previous main residence within three years of purchasing the new one. The new property must be your primary residence, and the old one must have been your previous main home.

Reclaiming the higher rate charge

You have a window of 12 months from the date of the sale of the old property to reclaim the additional SDLT.

To make a claim, **complete the SDLT refund application form**: You can find the form on the UK government's website.

Or you can submit the completed form online or by post to HMRC. To do this you will need details such as the SDLT amount paid, the new and old property details, and the dates of purchase and sale.

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If it took longer than 3 years to sell your original home

You can still apply for a refund if:

- you bought your new home on or after 1 January 2017;
- exceptional circumstances stopped you from selling your previous home; and
- you have now sold your previous home.

The types of circumstances that may qualify as exceptional usually affect large groups of people and not only the buyer or seller in an individual transaction. These include, but are not limited to:

- being stopped from selling the property because of government imposed restrictions; or
- an action taken by a public authority stopping the sale.

Events which normally occur when buying and selling property are not treated as exceptional circumstances. These events include, but are not limited to:

- not being able to find a buyer at the price you want;
- delays in agreeing terms with the buyer; or
- the breakdown in a chain of transactions.

To be eligible for the refund, you must sell your previous home without further delay once the reason for the original delay has ended. Once this has happened, you can write to HMRC to ask for a refund.

To make a claim

You must include:

- an explanation of why you were prevented from selling your previous main home within 3 years;
- your details;
- the main buyer's details, if not your own ;
- details of the property that attracted the higher rates of SDLT, including the effective date of purchase and the SDLT unique transaction reference number;
- details of the previous main home you've sold, including the effective date of sale, the address of the property and the name of the buyer;
- the amount of tax paid on the property that attracted the higher rates of SDLT;
- the amount of tax you're asking to be repaid; and
- the bank account and sort code details of the person who should receive the payment.

You should send the information to:

BT Stamp Duty Land Tax
HM Revenue and Customs
BX9 1HD

We can help

If you feel you could make a claim but are unsure how to proceed, please call us on **01753 888 211** or email info@nhllp.com. We would be happy to help.

If you have business colleagues, family or friends that you feel may benefit from this alert, please forward a copy.