

**31% OF BUYERS WILL MOST LIKELY DITCH HOME MOVES IF THEY HAVE TO PAY STAMP DUTY**

Thousands of homebuyers will pull the plug on their deals as a result of the stamp duty holiday not being extended.

Around a third (31%) said they would very likely cancel their planned move if they had to pay stamp duty, with a further 43% admitting that they would most likely do the same, according to new research released by The Guild of Property Professionals.

Experts fear that with the property industry unable to process the transactions fast enough, sales still in the pipeline early next year will not have enough time to complete before the stamp duty holiday ends in March.

While there are over 140,000 more people in the process of buying a new home now than this time last year and an estimated 418,000 homes sales progressing to completion according to Zoopla, with many having been prompted by the stamp duty holiday, there are growing concerns over plans for the re-introduction of stamp duty in April 2021.

With the current threshold set at £500,000 and the average house worth £244,513 many would be set to save in stamp duty. However, under current plans, from April 2021 the threshold returns to £125,000, leaving those who thought they would benefit from the stamp duty holiday having to find extra cash to complete the move.

Iain McKenzie, CEO of The Guild of Property Professionals is warning the government to take note of the extra time it is taking to complete deals:

“If the deadline remains as it is, only a quarter of the sales agreed in January will complete in time. With 140,000 more people waiting to complete sales than this time last year, there will be a significant number of buyers who will have to find additional money for stamp duty if they have not budgeted for it. Our hope, and the hope of 71% of the public, was that the Government was going to extend the stamp duty holiday, or at the very least, introduce a phasing out period that will ease the pressure on all parties involved, and will prevent a cliff edge.”

Over a third (38%) said that stamp duty had a big financial impact on the amount they paid, while a further 46% said it had a medium impact on their finances.

The research also found the average value of the property people had bought or were going to buy was £232,500, meaning the average house buyer would face a stamp duty bill of £2,150.

With a third aiming to push through a move quickly to take advantage of the holiday, McKenzie warns many would not have budgeted for this added cost:

“If buyers are unable to complete because of not having the Stamp Duty money in place, we will see a large number of transactions fall through as a result. In fact, our research showed 83% of those who had moved this year said they would have been likely to cancel or postpone their house move if they had to pay stamp duty, which would have been a disaster for the property industry getting back on its feet after the initial lockdown. The signs are there, the stamp duty holiday has been successful, but we need to ensure a smooth transition back to a normal service,” McKenzie concludes.

**ENDS-**

**Editors’ Notes**

The Guild of Property Professionals (The Guild)

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