

**Stamp Duty - Act now**

With regard to the recent speculation about the Stamp Duty, The Guild of Property Professionals’ position is be decisive and be quick. “Don’t allow people to press the pause button and stall the market due to indecisiveness,” says Iain McKenzie, CEO of The Guild of Property Professionals. “The housing market is currently showing good signs of activity, any indecisive action from the Government could stem the flow buyers in the market and have people sitting on the side-lines waiting for a discount.”

Many within the property industry have been calling for the Government to suspend or abolish SDLT. While there we have seen surges of activity in the housing market with many regions experiencing higher year-on-year transaction volumes than they did this time last year, the concern is that the full impact of the pandemic is only likely to be felt after October when the Furlough comes to an end.

A lot of pressure has been placed on the Chancellor to make changes to Stamp Duty to ensure that we continue to see momentum with the housing market as the economy contracts and unemployment numbers continue to rise.

“A holiday or change to Stamp Duty would be a very good thing for the housing market provided the announcement is made sooner rather than later. If the Chancellor announces that he will only make changes to Stamp Duty in Autumn during his budget speech, the housing market will grind to an abrupt halt as buyers once again adopt a wait-and-see stance,” says McKenzie. “People will put off purchasing a home if they do not have clarity and there is uncertainty in the market. A delay or speculation for the next three months will destroy the momentum built up since the market reopened.”

He adds that a Stamp Duty holiday could be a powerful catalyst for the market, but it would need to be initiated with a definite timeline to encourage buyers to move before the end of the deadline. “Some who have been in the sector for many years may remember the Mortgage Interest Relief at Source or MIRAS scheme, which was introduced in the UK in 1983 in a bid to encourage home ownership.  The scheme allowed borrowers tax relief for interest payments on their mortgage. While the scheme was reasonably successful, it was its removal that spiked activity and house prices as buyers rushed to beat the cut-off date – inciting the first property boom in decades,” explains McKenzie.

“A set, time lined window in Stamp Duty would help drive further activity in the market. A monetised incentive to force through that conveyancing process would be a very good thing for the market,” says McKenzie.

He adds that the housing market is intrinsically tied to the economy’s resurrection and injecting life into the property market will help restart the heartbeat of the wider economy. “Taking actions to enthuse buyers and bolster the property market will ease the path to recovery, and will pay dividends in the future,” McKenzie concludes.

**ENDS-**

**Editors’ Notes**

**The Guild of Property Professionals (The Guild)**

The Guild is a network of 800 of the best independent estate agents from across the UK. The Guild is a sign of professional excellence that agents can use to differentiate themselves from their competitors and assure clients that they will act with knowledge and integrity to achieve results, the three core values of The Guild. To allow agents to perform a superior service, The Guild offers marketing, business and technology services to its members.