

**Will Welsh Land Transaction Tax change help the market?**

Welsh Finance Minister, Rebecca Evans, recently made the announcement that the Land Transaction Tax (LTT) in Wales would change, bringing the rate payable for properties valued at between £180,000 and £250,000 to zero. The changes will come into play on 27 July 2020 and will run up until 31 March 2021.

Properties in Wales selling for under £180,000 were already exempt of paying the tax, so essentially the Government has merely extended to threshold up to £250,000. The change will not include second homes or buy-to-let properties, which will continue to pay the existing LTT as well as a 3% of additional tax. While the LTT may help first-time buyers get into the market, whether it will have any impact on property sales above the £250,000 will remain to be see.

Tom Home from Fine & Country Swansea, says: “Whilst to a large extent, Fine & Country property buyers won’t financially benefit greatly, the main advantage is that the increase of LTT threshold being kept in place until March 2021, will perpetuate the number of property transactions during what is usually a quieter late Autumn through to early Spring and this increased activity will follow the price range up to the ‘upper quartile’ and influence our main market - well at least that’s the plan!”

Jamie Tulloch from Fine & Country Welshpool says: “While the change in LTT will definitely have some impact on the market, I see it as more of a bonus than an incentive. I don’t think the change to LTT will have as much of a difference here in Wales, as it would if you were buying in England, but a lot of buyers are heading to Wales because they want to escape to the country. People who have made the decision to move here have done so for reasons other the changes in LTT, but it will make it more attractive and will be financially beneficial.”

According Tulloch, buyers being able to view occupied properties will have a greater impact on the market then the LTT change. He says that since agents have been able to do viewings on vacant properties in Wales there has been a lot of activity in the market, he predicts there will be far more once agents are allowed to do viewings on occupied properties. “We have been given the indication that we will start to be able to do viewings on occupied properties from 27 July and I have a long list of buyers who are eager to make appointments to view properties as soon as they can,” he says. “I think there is going to be a large number of Sales Agreed once we are given the green light for buyers to view occupied homes.”

He notes that his office has been able to agree some sales during the lockdown through virtual viewings, but the majority of people are waiting to be able to view the property in person before making their final decision. “There is a lot of demand and new vacant properties are selling within 10 days of listing. On one vacant property we have had 11 viewings booked in within the first five days of listing. The demand is there, so once we people can view occupied properties, the market will boom and many buyers will be able to benefit from the LTT change,” he concludes.

**Editors Notes:**

Fine & Country specialises in the sale and rental of prime residential properties. The company has offices in 300 locations around the world including in the UK, Cape Verde, Cyprus, Germany, Mauritius, The Channel Islands, USA, France, Namibia, Portugal, Spain, South Africa, West Africa, Russia, Australia and Hungary. Fine & Country has won Best Estate Agency Marketing and Best International Estate Agency Marketing seven times in the past 10 years at the International Property Awards.