

LBTT: nil rate band change – First-time buyer relief 'How to' Guidance for SETS users July 2020

Introduction

Guidance for SETS users on how to edit the amount of first-time buyer relief for transactions with an effective date on or after 15 July 2020 where the chargeable consideration is greater than £250,000.

Please refer to this How To guidance if you wish to claim first-time buyer relief for a transaction with an effective date on or after 15 July 2020 and the chargeable consideration is greater than £250,000.

Although the temporary increase in the nil rate band to include the first £250,000 of consideration for transactions between 15 July 2020 and 31 March 2021 (inclusive) will mean that first-time buyer relief will not further reduce the tax payable by first-time buyers, we encourage eligible first-time buyers to identify themselves by claiming the relief when submitting their return.

For transactions where the chargeable consideration is greater than £250,000, we have identified that if first-time buyer relief is selected, SETS may include an amount of relief of £600 which is not due. This is because for such transactions, SETS does not currently take account of the increase in the nil rate band threshold to £250,000.

To correct this you should follow the steps shown below.

Step 1:

Go to the “About the transaction” section of the return and check the amount shown in the “amount of tax saved by relief”.

- If this figure is £nil – You need take no further action as this is the correct amount.
- If this figure is £600, as shown below, go to Step 2

About the transaction

[Edit transaction details](#)

What is the property type for this transaction?	Residential
Effective date of transaction	29 July 2020
Relevant date	29 July 2020
Are there any linked transactions?	No
Is the transaction part of the sale of a business?	No
Is relief being claimed for this transaction?	Yes
Total consideration remaining	£300000.00

About the reliefs

[Edit reliefs](#)

Type of relief

Amount of tax saved by relief

First-Time Buyer Relief	£600.00
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About the calculation

[Edit calculation](#)

The amounts in this section will be automatically calculated when you create or update the transaction section. You can edit them before you submit the return.

LBTT calculated	£2500.00
Total LBTT reliefs claimed	£600.00
Total tax payable	£1900.00

Step 2:

Click on “Edit reliefs”

This will open a new window as shown at Step 3 below:

About the reliefs		Edit reliefs
Type of relief	Amount of tax saved by relief	
First-Time Buyer Relief	£600.00	

About the calculation		Edit calculation
The amounts in this section will be automatically calculated when you create or update the transaction section. You can edit them before you submit the return.		
LBTT calculated	£2500.00	
Total LBTT reliefs claimed	£600.00	
Total tax payable	£1900.00	

[Save draft](#) [Submit return](#)

Step 3:

Update the “Amount of tax saved by relief” by amending it from £600 to £nil, as shown below:

Reliefs on this transactions

Type of relief	Amount of tax saved by relief
First-Time Buyer Relief	£ <input type="text" value="0"/>

[Continue](#)

Step 4:

Once the “Amount of tax saved by relief” has been amended to £nil, click “Continue” to save the change.

Step 5:

Return to the “About the transaction” section of the return and check that the amount of tax saved by first-time buyer relief is £nil, as shown below. You can then proceed to save the draft or submit the return as required.

About the transaction

[Edit transaction details](#)

What is the property type for this transaction?	Residential
Effective date of transaction	29 July 2020
Relevant date	29 July 2020
Are there any linked transactions?	No
Is the transaction part of the sale of a business?	No
Is relief being claimed for this transaction?	Yes
Total consideration remaining	£300000.00

About the reliefs

[Edit reliefs](#)

Type of relief	Amount of tax saved by relief
First-Time Buyer Relief	£0.00

About the calculation

[Edit calculation](#)

The amounts in this section will be automatically calculated when you create or update the transaction section. You can edit them before you submit the return.

LBTT calculated	£2500.00
Total LBTT reliefs claimed	£0.00
Total tax payable	£2500.00

Save draft

Submit return

Help and support

- Visit the Revenue Scotland website – www.revenue.scot
- Telephone the Support Desk: 03000 200 310
- Email: lbtt@revenue.scot