Welsh devolved taxes update

General Features

01 June 2019

Recent developments in Welsh devolved taxes include new regulations amending tax legislation for changes arising from the UK's exit from the EU and updated Land Transaction Tax guidance for 'garden and grounds'.

The Welsh Tax Acts (Miscellaneous Amendments) (EU Exit) Regulations 2019 were made on 2 April 2019. The regulations amend the Welsh devolved tax legislation for changes arising from the UK's exit from the EU.

Part 2 updates a reference to EU legislation in a provision in the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (LTTA) about the treatment of consideration in relation to leases. Part 3 amends the definition of charities in Schedule 18 to LTTA. Part 4 specifies that a co-ownership authorised contractual scheme of the description contained in regulation 4(2) is to be treated as not being a co-ownership authorised contractual scheme for the purpose of land transaction tax (LTT). Part 5 makes various amendments to the Tax Collection and Management (Wales) Act 2016.

All parts, with the exception of Part 2 which comes into effect on the date of the making of the regulations, are to come into effect on 'exit day'. Exit day is the date as defined in the European Union (Withdrawal) Act 2018 and any regulations made under section 20 of that Act.
The Welsh Revenue Authority has also updated the LTT guidance pages including the guidance on what constitutes 'garden and grounds'.

The WRA website has a useful page summarising what changes have been made to guidance and the date of change.