



Llywodraeth Cymru  
Welsh Government

STATISTICS

# Land Transaction Tax statistics: April to June 2022

Our quarterly Welsh Revenue Authority (WRA) statistics for Land Transaction Tax (LTT). Data includes the number of land and property transactions, tax due and value of property taxed.

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## Main points

We (the WRA) present these statistics on LTT transactions that we have received by 18 July 2022.

Figure 1.1 below shows:

- quarterly estimates for April to June 2022
- the percentage change against previous estimates for April to June 2021 (made in July 2021)

We explain why these comparisons are made in [section 1 of this release](#) ('Comparisons over time').

### **Figure 1.1 Number of reported notifiable transactions, tax due and % change from the previous estimate one years earlier [Note 1] [Note 2]**

Transaction type	April to June 2022 [provisional]	% change (compared with April to June 2021) [Note 6]
<b>Transactions (number)</b>		
Residential	13,130	-25%
Of which: higher rates residential	3,300	-19%
Non-residential [Note 3]	1,520	-3%

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Transaction type	April to June 2022 [provisional]	% change (compared with April to June 2021) [Note 6]
<b>All transactions [Note 4]</b>	<b>14,650</b>	<b>-24%</b>
<b>Tax due (£ millions)</b>		
Residential	73.2	5%
Of which: Additional revenue from higher rates [Note 5]	25.8	-18%
Non-residential [Note 3]	28.7	-6%
<b>All transactions [Note 4]</b>	<b>101.9</b>	<b>2%</b>

[LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

## Notes to Figure 1.1

[1] Values in this table have been rounded to the nearest 10 transactions and the nearest £0.1 million for tax due.

[2] Please note that this table excludes any tax due from the additional transactions shown in Figure 1.2.

[3] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[4] The total presented has been calculated based on the unrounded values.

[5] Please note this item only includes the additional revenue from higher rate transactions. This item does not include the main rate component of higher rate transactions.

[6] Estimates for April to June 2021 were made in July 2021.

## Figure 1.2 Tax due on additional transactions which were untypically large or with restricted detail, by year the transaction was effective (£ millions)

	2018-19	2019-20	2020-21	2021-22
Additional transactions which were untypically large [Note 1]	[z]	28.2	[z]	[z]
Additional transactions with restricted detail (to protect confidentiality) [Note 2]	[z]	2	0	[z]

[LTT statistics on total tax due including transactions with restricted detail on StatsWales](#)

### Notes to Figure 1.2

[1] 'Untypically large transactions' in 2019-20 entirely consists of a small number of public sector transactions. These transactions relate to Transport for Wales' purchase from Network Rail of the Core Valley Line rail asset in Wales. Details of these transactions are presented here to aid transparency of this large public sector transaction, with agreement of the buyer (Transport for Wales) and seller

(Network Rail). Further information on these transactions is available from the Transport for Wales website.

[2] For some transactions, we are unable to provide any information other than the total tax due figure in the year, as there is a risk of revealing details of the individual transactions. These are rounded to the nearest million pounds for additional protection. They should only be included if seeking a value for total LTT revenue in the year.

[z] Not applicable.

## Commentary on Figures 1.1 and 1.2

Comparing April to June 2022 on a like-for-like basis with April to June 2021:

- the total number transactions fell by 24% while tax due on those transactions increased by 2%
- residential transactions fell by 25%, while tax due on those transactions increased by 5%
- of which, higher rates transactions fell by 19%
- additional revenue from higher rates residential transactions fell by 18%, although this comparison should be treated with some caution. For further information, please see '[Comparisons over time](#)' in [section 1 of this release](#).
- non-residential transactions fell by 3%. Tax due from non-residential transactions fell by 6%.

These comparisons exclude the additional transactions presented in Figure 1.2 above. The values in Figure 1.2 should only be used if seeking a value for total LTT revenue in the year.

For residential transactions, the comparison of April to June 2022 data with April

to June 2021 should be considered with some caution. This is due to the temporary tax reduction period ending on 30 June 2021. It is likely that some purchasers brought forward their transactions from later in the year into June 2021, boosting overall transaction numbers in that month. For main rates residential transactions only, that temporary tax reduction also had some downward impact on revenue per transaction in the period it operated, including in April to June 2021.

For higher rates residential transactions, the temporary tax reduction did not directly affect tax rates and bands. For reasons that are not entirely clear, the number of higher rates transactions in April to June 2022 was 19% lower than the same period a year earlier. One possible reason is that many higher transactions were also brought forward into June 2021, for example as part of chains which included those main rate transactions brought forward.

**Section 3 of this release** presents trends in the value of residential transactions, showing general increases in the value of residential property. The percentage of residential transactions which had a value up to and including £180,000 has declined considerably, from 66% to April to June 2018 to 47% in April to June 2022, the lowest quarterly figure seen to date. Also, the percentage of residential transactions which had a value over £400,000 rose from 3% in April to June 2018 to 10% in April to June 2022, the highest quarterly figure seen to date. It should be noted that these trends have been uneven, with seasonal variation seen in the percentages within each year.

Non-residential revenues have been particularly high in the past 15 months. While non-residential revenues in April to June 2022 were 6% lower than the same period a year earlier, the revenues in April to June 2022 were higher than all quarterly values seen in April 2018 to March 2021.

Over nearly 3 years from April 2018 to February 2021, monthly non-residential revenues reached between £8 million and £10 million on only 5 occasions. However, from March 2021 to June 2022, non-residential revenues exceeded £8

million every month (except May 2021 and April 2022).

It is possible that a changing pattern of transactions during the coronavirus (COVID-19) recovery is contributing to this trend. For example, there is evidence of slightly higher numbers of outright purchases of non-residential property, as compared with new leases. Purchases tend to generate more revenue than leases, but it is still unclear what impact this may have on future revenues. We will continue to monitor these trends in future.

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## 1. About these statistics

### Introduction of LTT

From 1 April 2018, LTT replaced Stamp Duty Land Tax (SDLT) on residential and non-residential property and land interests purchased in Wales. The [tax rates and tax bands for LTT](#) vary depending on the type of transaction.

LTT statistics are not fully comparable to previous SDLT statistics. This is because different rates and bands are used in LTT. The reliefs may also be different for the 2 taxes. For example, first time buyers' relief applies to SDLT but not to LTT.

### Comparisons over time

Care should be taken with any comparisons over time which involve data from spring 2020 to summer 2021. This is due to the coronavirus (COVID-19) pandemic and changes to LTT rates. A national lockdown on 23 March 2020 resulted in the housing market being mainly closed from this date until 22 June

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2020 when it partially re-opened. The market was re-opened more fully on 27 July, to coincide with a change in LTT rates effective until 30 June 2021. There is evidence some purchasers may have brought their transactions forward to June 2021 to benefit from the temporary tax reduction.

There were further changes to LTT rates effective from 22 December 2020. Non-residential transactions and higher rates residential transactions were affected.

Information on all these changes to LTT rates can be read at:

- [Changes to Land Transaction Tax nil rate threshold](#)
- [Land Transaction Tax – extension of the temporary tax reduction period](#)
- [Changes to the rates and bands of Land Transaction Tax](#)

There can be seasonal patterns in the property market, with higher levels of activity generally seen in the summer and autumn, and lower levels in winter and spring. It can then be helpful to compare the current period (April to June 2022) with data for the same period in the previous year.

It should be noted that in each edition of our LTT statistics, we are gradually revising downwards the **tax due** for earlier periods. This is because of **higher rate refunds** being paid out in each month (for higher rates residential transactions which were effective in earlier periods, back to April 2018).

The value for April to June 2021 will have already been subject to some of this downward revision, whereas the equivalent figure for April to June 2022 will not yet.

Therefore, in this release, we compare:

- April to June 2022 data; and
- our previous estimates for April to June 2021 (which we published in July

2021)

## Value of LTT statistics

Timely information on activity in the property market is important for policy makers. When filing an LTT return about a property transaction, the organisation paying the return has 30 days after the **effective date** to submit and pay any tax due. Therefore, LTT statistics are relatively timely.

Forecasting LTT revenues for Wales in future is an important use of LTT statistics. The Office for Budget Responsibility produce LTT forecasts to coincide with Welsh Government and UK Government budgets.

## Article explaining our local area statistics and how to use statistics on the higher rates of LTT

We encourage users of our statistics to read the **article explaining our local area statistics and how to use statistics on the higher rates of LTT**. Higher rates are a complex area of LTT and can be mis-interpreted. The article is intended to support users of our statistics on how to interpret this data.

## Data available for LTT

All of the data used in this statistical release is available in a spreadsheet on the **headline statistics page**.

Annually, we also publish geographic datasets for LTT on the **StatsWales website**. This includes annual data by:

- local authority

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- Senedd constituency (residential transactions only)
- level of deprivation, using the Welsh Index of Multiple Deprivation (residential transactions only)
- National Parks (residential transactions only)
- built up areas (residential transactions only)

For data at the Wales level, we provide links to the relevant StatsWales datasets throughout this release.

## Timing of and revisions to LTT statistics

In our [statistical output policy](#), we explain the timing of LTT statistics. In this release, we present provisional estimates for June 2022, April to June 2022, and revised estimates for periods before this. We will revise the provisional data in future. Not all tax returns for these periods may yet have been received.

In future, we may continue to revise statistics for earlier periods to account for any amendments to transactions and new tax returns received. Reasons for this include:

- [higher rate refunds](#) being made for several years after the date of the original transaction
- taxpayers mistakenly sending tax returns to HMRC which relate to Welsh property transactions. Once the error is realised, it can take some time for the taxpayer to send the return correctly to the WRA.

## Key quality information and glossary pages

Please see the separate [glossary](#) and [key quality information](#) while reading this statistical release:

- we define relevant terms in the [glossary](#) as they are used in this release.
- on the [key quality information page](#), we describe how Land Transaction Tax statistics meet the Code of Practice for Statistics and the dimensions of value, trustworthiness and quality.

## Pre-release access to our statistics

We publish the [list of posts which have pre-release access](#) to our statistics, including for LTT.

## Properties or land sold more than once

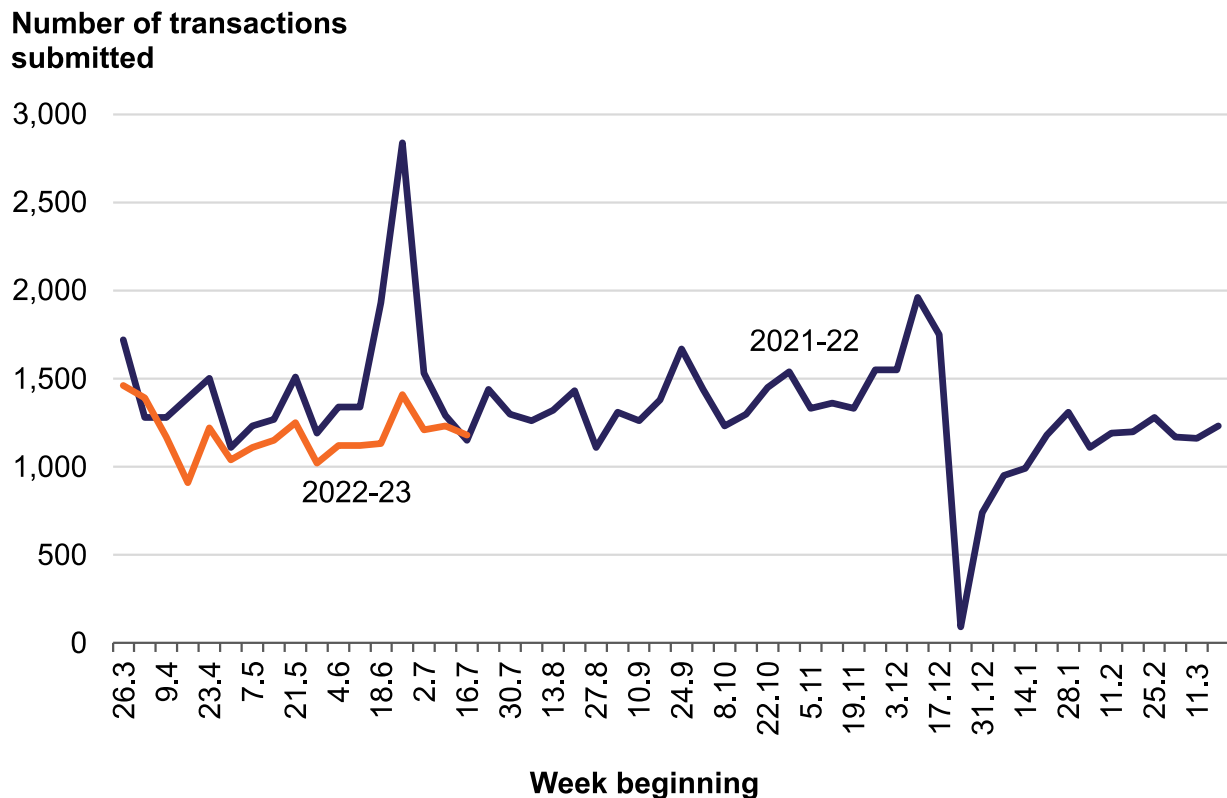
These statistics relate to transactions which were **effective** in a particular month, quarter or year. A property or piece of land may have been sold more than once in that time. If so, it would feature multiple times in the statistics.

For example, in April 2021 to March 2022, our best estimate is that between 3% and 4% of transactions involved a piece of land or property which has been sold more than once in the year.

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## 2. Transactions, tax due and property value taxed

**Figure 2.1 Weekly number of transactions submitted to the WRA [Note 1]**



[Weekly number of transactions submitted to the WRA \(Open Document Spreadsheet\)](#) (includes data back to April 2018, not presented above)

### Notes to Figure 2.1

[1] Please note that this chart includes a small number of transactions effective in July 2022.

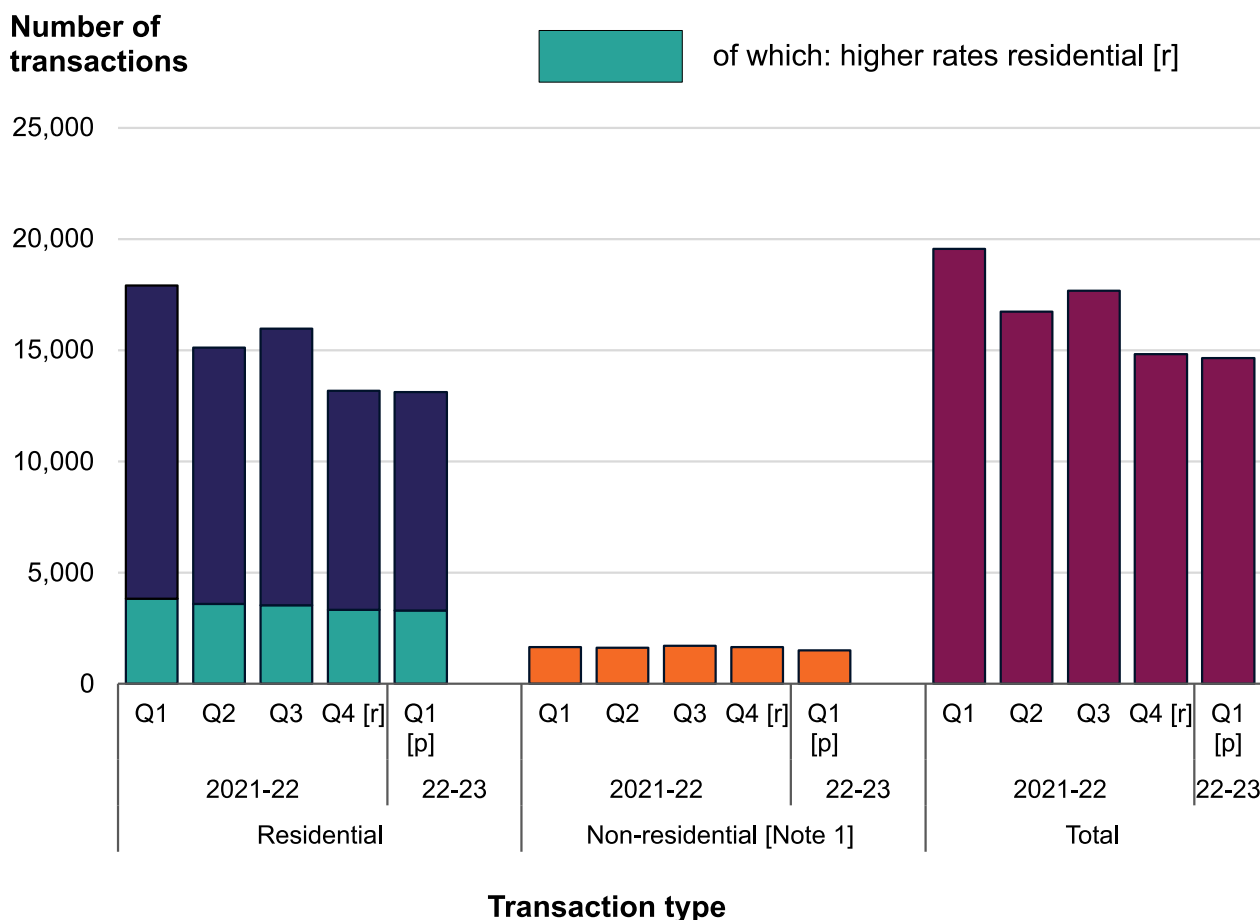
## Commentary on Figure 2.1

Figure 2.1 above shows the total number of transactions submitted to the WRA in each 7-day period for the latest 2 financial years. These periods begin on a Saturday and end on the following Friday. For example, the point '16.7' in 2022-23 shows the number of residential and non-residential transactions submitted to the WRA from 16 to 22 July 2022 (inclusive). The actual dates differ slightly in the previous year. For example, the equivalent week in the previous year ran from 17 to 23 July 2021 (inclusive).

Please note that Figure 2.1 shows data by **submitted date**. This differs from effective date, which is the date we use for most analysis in this release.

There was a sharp peak in transactions submitted at the end of June 2021. This peak is associated with the **temporary tax reduction period that ended on 30 June 2021**. A record 2,840 transactions were submitted in the week beginning 26 June 2021, with many of those being submitted on 30 June 2021. The weekly number of transactions submitted then fell to a more usual level from July 2021, except for a smaller peak of 1,670 transactions seen in the week beginning 25 September 2021. The fall in transactions in the week beginning 16 April 2022 coincides with public holidays.

**Figure 2.2 Number of transactions, by transaction type and quarter the transaction was effective**



[LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

### Notes to Figure 2.2

[1] The category 'non-residential' includes properties that are not wholly

residential (namely, those which have both residential and commercial elements).

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figure 2.2

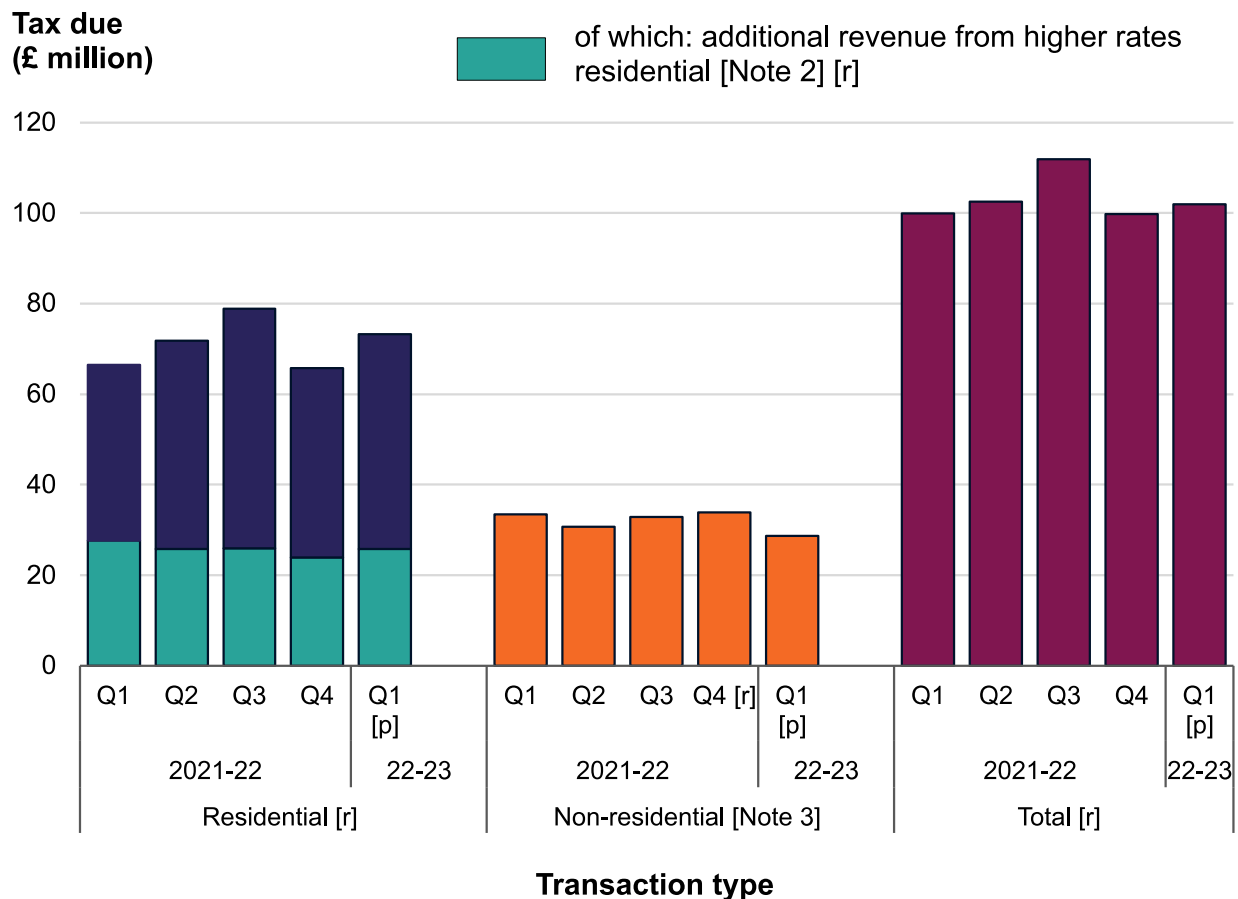
By the close of 18 July 2022, we received details of 14,650 **notifiable transactions** with an **effective date** in April to June 2022. This is 24% lower than April to June 2021 (estimate taken as at July 2021).

The corresponding changes for residential, higher rates residential and non-residential transactions were decreases of 25%, 19% and 3% respectively. Commentary on Figure 2.5a later in this section discusses the trends for all residential tax due and additional revenue from higher rates. Similarly, commentary below Figure 2.5b provides insight into the trends in non-residential tax due.

In April to June 2022, 90% of transactions were residential and 10% were non-residential, similar to the previous three-month period.



**Figure 2.3 Tax due on transactions, by transaction type and quarter the transaction was effective [Note 1]**



[LTT statistics by time period and transaction type on StatsWales](#) (also includes data back to April 2018, not presented above)

### Notes to Figure 2.3

[1] Please note that this chart excludes any tax due from the additional transactions shown in Figure 1.2.

[2] Please note this item only includes the additional revenue from higher rate transactions. It does not include the main rate component of higher rate transactions.

[3] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

### **Commentary on Figure 2.3**

The total **tax due** for transactions with an **effective date** in April to June 2022 was £101.9 million. This is 2% higher than the April to June 2021 (estimate taken as at July 2021). The corresponding changes for tax due from residential, higher rates residential and non-residential transactions were an increase of 5%, and decreases of 18% and 6% respectively.

Commentary on Figure 2.6a later in this section discusses the trends since for all residential tax due and additional revenue from higher rates. Similarly, commentary below Figure 2.6b provides insight into the trends in non-residential tax due.

As noted in Figure 2.3 above, these comparisons exclude any tax due from the additional transactions shown in Figure 1.2.

**Figure 2.4 Value attributed to properties subject to LTT, by transaction type and quarter the transaction was effective [Note 1]**



**LTT statistics by time period and transaction type on StatsWales** (includes data back to April 2018, not presented above)

## Notes to Figure 2.4

[1] Any property value associated with the additional transactions shown in Figure 1.2 is excluded here.

[2] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[3] Newly granted non-residential leases may have either, or both, a premium and a rental value (the term 'premium' is more accurately described as 'consideration other than rent'). The rental value is the net present value (NPV) of the rents'. In this chart, only the premium element is included in the total. The rental value is not presented in this chart. The rental value should not be added to the total property value taxed, as these are different concepts. More information on these transactions having a rental element can be seen in section 4 of this release.

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figure 2.4

The **value of property taxed** in April to June 2022 was £3.8 billion. This is lower than the £4.8 billion seen in April to June 2021. This is consistent with the fall in the number of transactions when these 2 periods were compared in Figure 2.2. Generally, we have seen increases over time in the average value of properties taxed. **Section 3 of this release** describes trends in residential transactions and tax due by value.

(not shown in Figure 2.4) Separately, in April to June 2022, the rental value for

newly granted non-residential leases was £403 million. The equivalent figure in April to June 2021 was £269 million.

**Figure 2.5a Number of residential transactions, by month the transaction was effective**



[LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

### Notes to Figure 2.5a

[p] Values for June 2022 are provisional and will be revised in a future

publication.

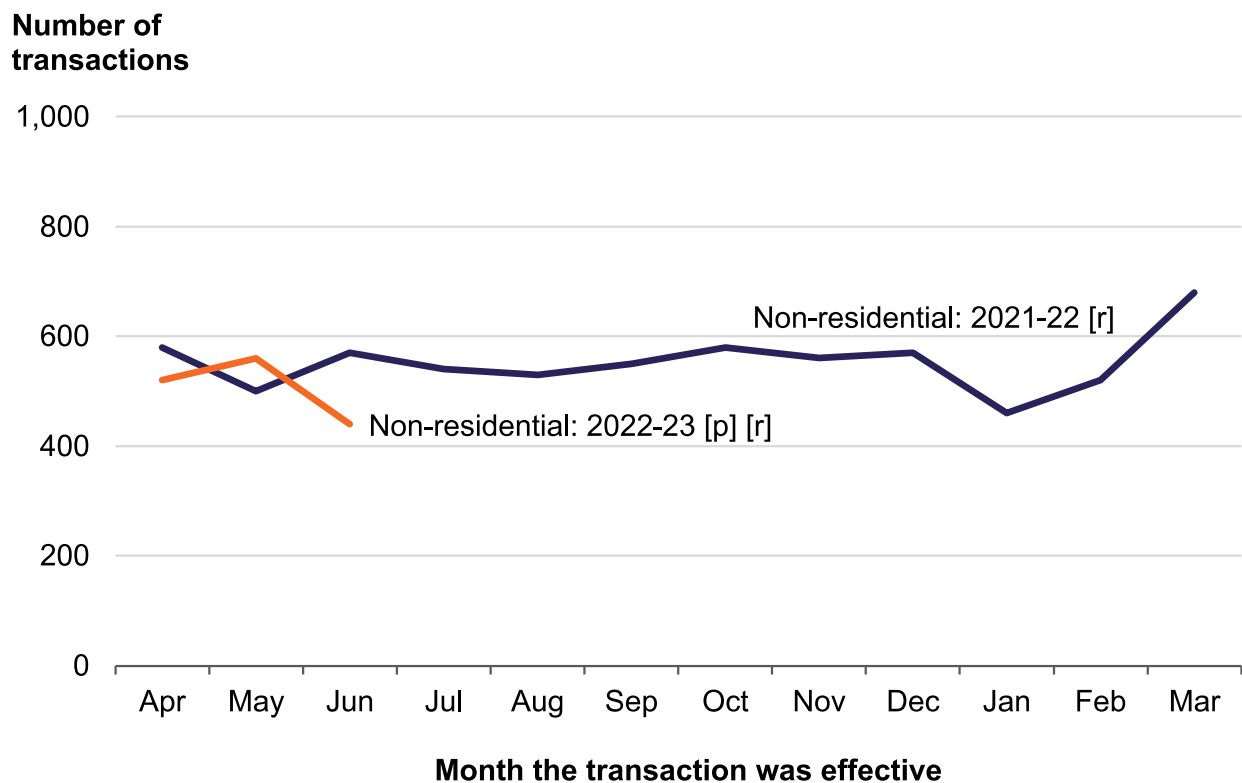
[r] Values for March to May 2022 are revised in this publication.

## Commentary on Figure 2.5a

In a typical year, the number of residential transactions by effective month vary somewhat. There is general seasonality with more transactions in the summer and autumn months, although some fluctuation is due to there being 5 Fridays in particular months, rather than four. Figure 2.9 in [our annual statistical release](#) shows that 45% of transactions effective in April 2021 to March 2022 have an effective date that is a Friday.

Analysis of the impact of COVID-19 restrictions from March 2020 is presented in earlier releases. In June 2021, a record monthly number of residential transactions was seen, coinciding with the [temporary tax reduction period that ended on 30 June 2021](#). Residential transactions since July 2021 have been in line with or slightly above usual levels seen pre-COVID-19.

**Figure 2.5b Number of non-residential transactions, by month the transaction was effective [Note 1]**



[LTT statistics by time period and transaction type on StatsWales](#) (also includes data back to April 2018, not presented above)

### Notes to Figure 2.5b

[1] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[p] Values for June 2022 are provisional and will be revised in a future publication.

[r] Values for March to May 2022 are revised in this publication.

## **Commentary on Figure 2.5b**

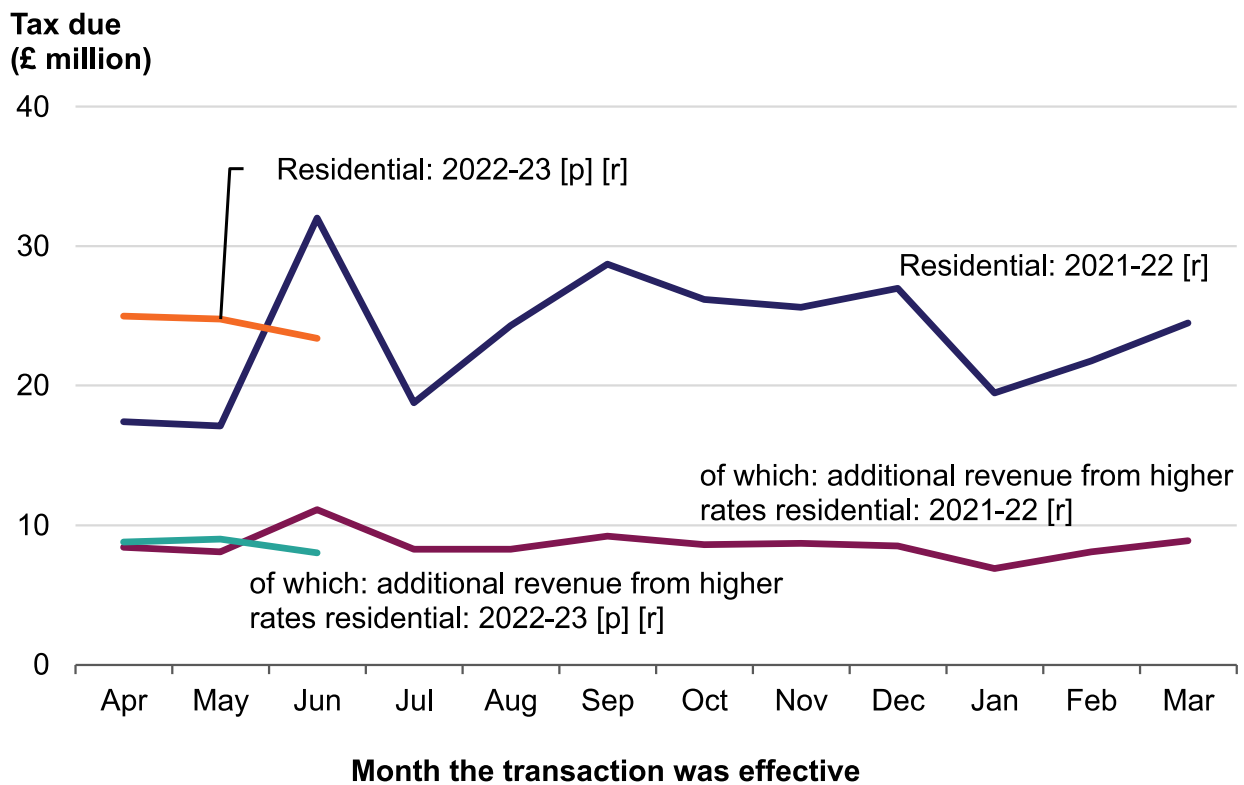
Please note that the scale of Figure 2.5b is different to that of Figure 2.5a.

In March each year, we see an increase from the previous month (February) in non-residential transactions. This may generally be due to non-residential leases to be renewed at the end of the financial year. However in March 2022, the increase in non-residential transactions over February was due to purchases, and the reasons for this are yet to emerge.

Analysis of the impact of COVID-19 restrictions from March 2020 is presented in earlier releases.



**Figure 2.6a Tax due on residential transactions, by month transaction was effective [Note 1]**



[LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

**Notes to Figure 2.6a**

[1] Please note that this chart excludes any tax due from the additional transactions shown in Figure 1.2.

[p] Values for June 2022 are provisional and will be revised in a future

publication.

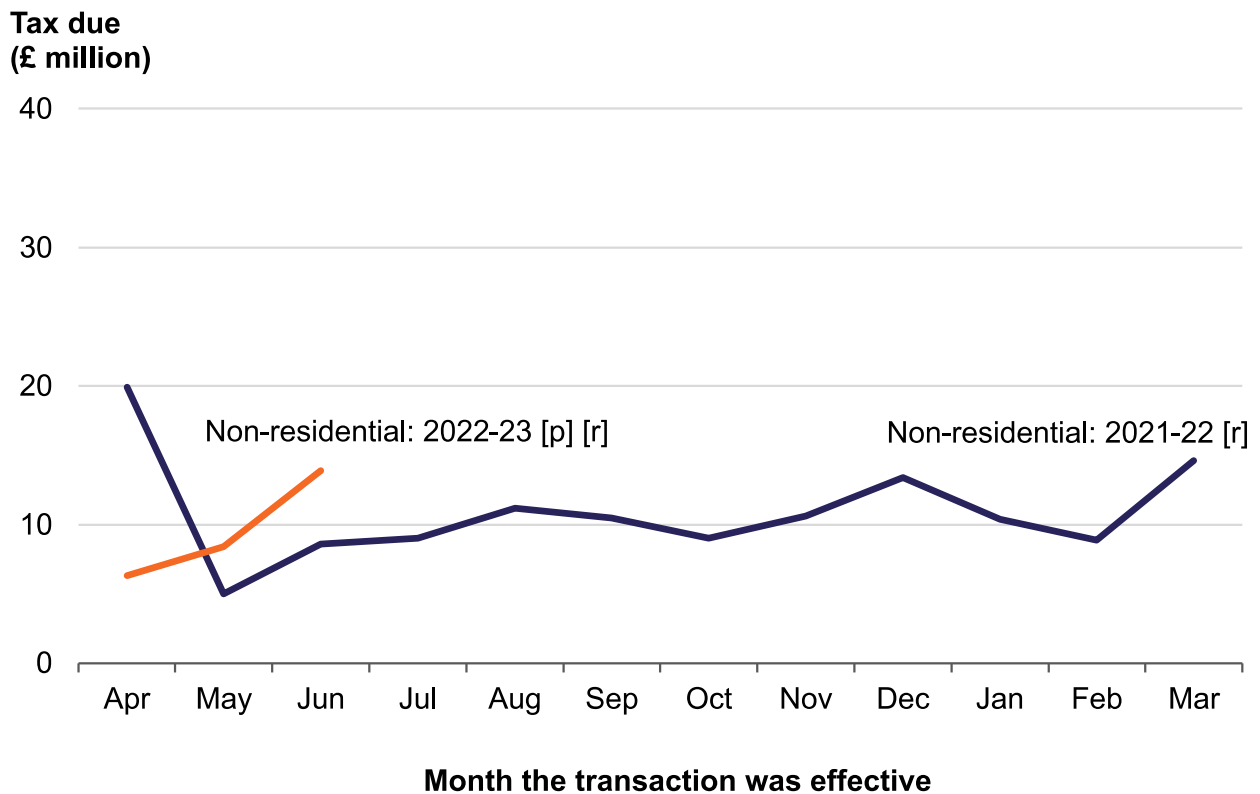
[r] Values have been revised in this publication. Please note that in this chart, data for earlier periods has been revised downwards. This is to account for refunds of the higher rates of residential tax being paid out.

## **Commentary on Figure 2.6a**

As may be expected, similar trends are generally seen in the monthly residential tax due and the monthly counts of transactions. Though record residential revenues were seen in June 2021 before falling in July 2021. This was likely due to some transactions being brought forward in the year to benefit from the temporary tax reduction period.

Residential revenues then increased, with monthly revenues in September to December 2021 being the highest seen to date, except for the June 2021 peak. This is consistent with a rise in the value of residential transactions, described in [section 3 of this release](#). Residential revenues were lower in January and February 2022 than the months around them, consistent with the expected seasonal trends in the property market. Residential revenues in June 2022 fell slightly from the previous month.

**Figure 2.6b Tax due on non-residential transactions (£ million), by month transaction was effective [Note 1] [Note 2]**



[LTT statistics by time period and transaction type on StatsWales](#) (includes data back to April 2018, not presented above)

### Notes to Figure 2.6b

[1] Please note that this chart excludes any tax due from the additional transactions shown in Figure 1.2.

[2] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[p] Values for June 2022 are provisional and will be revised in a future publication.

[r] Values for March to May 2022 are revised in this publication.

## **Commentary on Figure 2.6b**

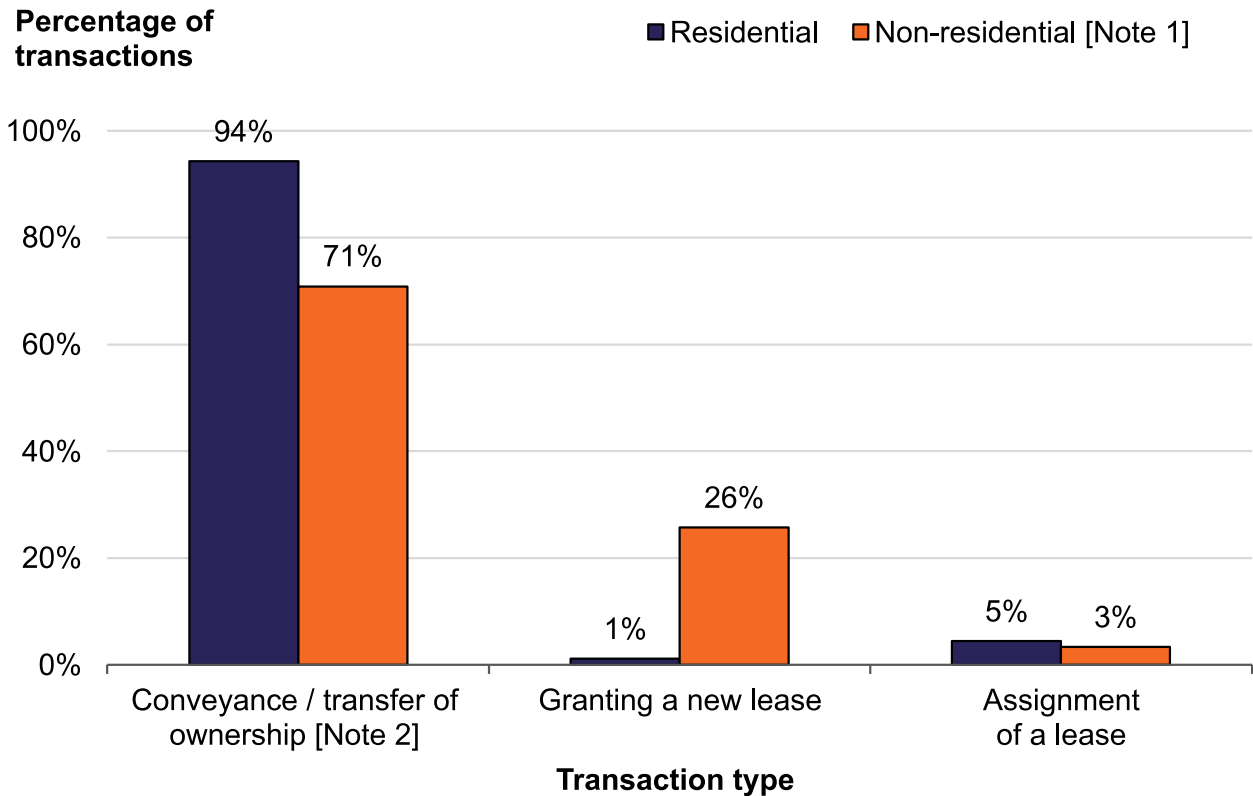
In April 2021, record monthly revenues were seen due to a small number of high value non-residential transactions. Revenues then dipped in May 2021, before rising over the following months. These recent increases in revenue are driven mainly by conveyances or transfer of ownership.

Over nearly 3 years from April 2018 to February 2021, monthly non-residential revenues reached between £8 million and £10 million on only 5 occasions. However, from March 2021 to June 2022, non-residential revenues exceeded £8 million every month (except May 2021 and April 2022). It is possible that a changing pattern of transactions during the COVID-19 recovery is contributing to this trend. For example, there is evidence of slightly higher numbers of outright purchases of non-residential property, as compared with new leases. Purchases tend to generate more revenue than leases but it is still unclear what impact this may have on future revenues. We will continue to monitor these trends in future.

Generally, there is greater volatility in the monthly series for non-residential transactions (than for residential transactions). They also make up a larger share of total tax due than the share of the number of transactions.

## **Figure 2.7 Percentage of transactions which are of each**

## transaction type, April to June 2022 [provisional]



**LTT statistics by transaction type and transaction description on StatsWales** (includes data back to April 2018, not presented above)

### Notes to Figure 2.7

[1] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[2] Conveyance / transfer of ownership also includes a small number of

transactions classed as 'Other'.

## **Commentary on Figure 2.7**

The value of the properties associated with conveyances and transfer of ownership during April to June 2022 was £3.5 billion (not shown in Figure 2.7).

Most transactions were associated with a conveyance or a transfer of ownership. This figure was 94% for residential transactions and 71% for non-residential transactions.

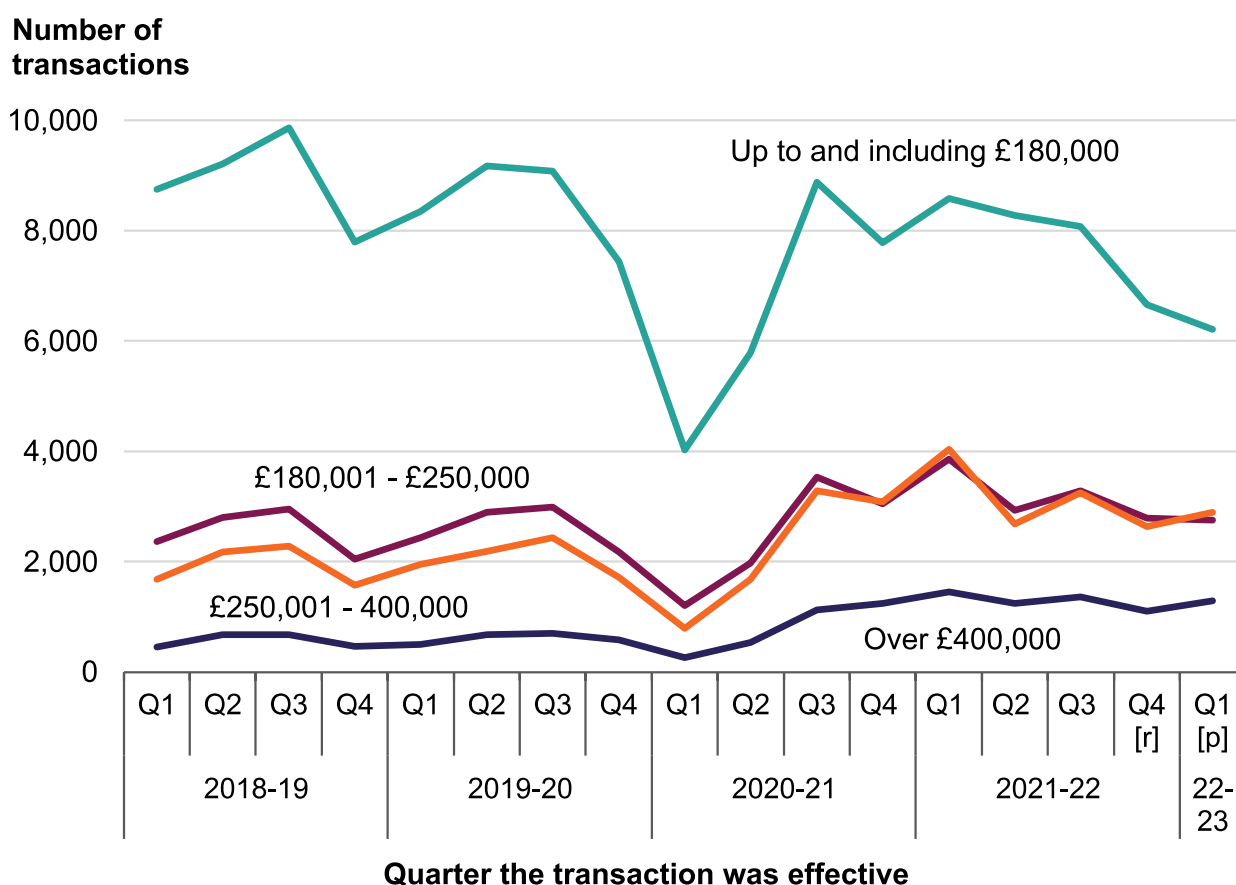
A new lease was granted in 26% of non-residential transactions (compared with 1% of residential transactions).

Similar percentages are seen in previous three-month periods and years.

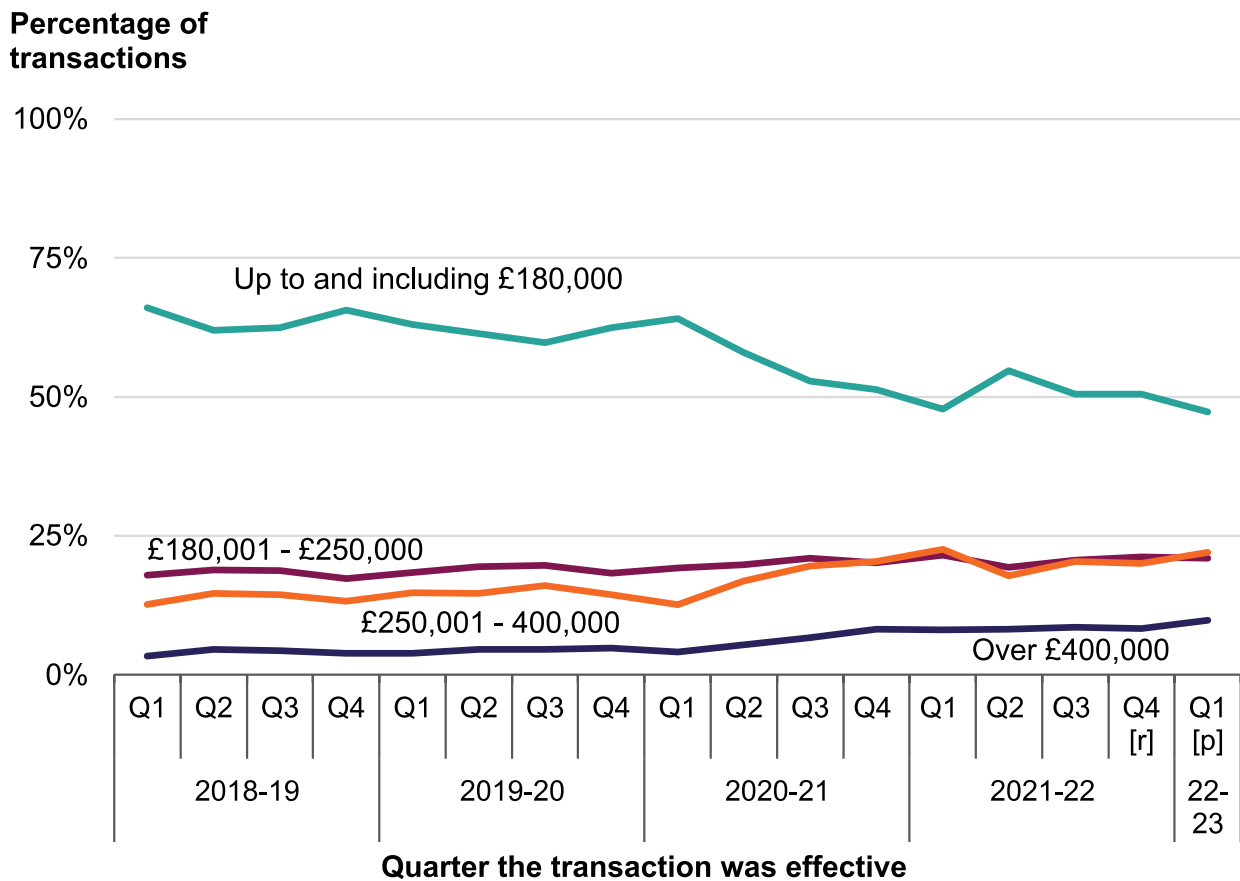
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### 3. Residential transactions by value

**Figure 3.1a Number of residential transactions, by residential tax band and quarter the transaction was effective**



**Figure 3.1b Percentage of residential transactions in each tax band, by quarter the transaction was effective**



**LTT statistics by time period and residential transaction value on StatsWales**

## Notes to Figures 3.1a and 3.1b

[p] The value is provisional and will be revised in a future publication.



[r] The value has been revised in this publication.

## Commentary on Figures 3.1a and 3.1b

Figures 3.1a and 3.1b show quarterly trends in the number of **residential transactions**, and percentage of transactions, in each tax band. There are 6 residential tax bands. We have combined the largest 3 bands here to show results for properties purchased for more than £400,000.

Despite the impact of coronavirus (COVID-19) from March 2020 and the recovery which followed, seasonal trends can still be seen in the numbers of transactions. In Figure 3.1a, most of the tax bands show a fall in the number of transactions in January to March (compared with the preceding October to December). Analysis of the impact of COVID-19 and changes to LTT rates is presented in previous releases.

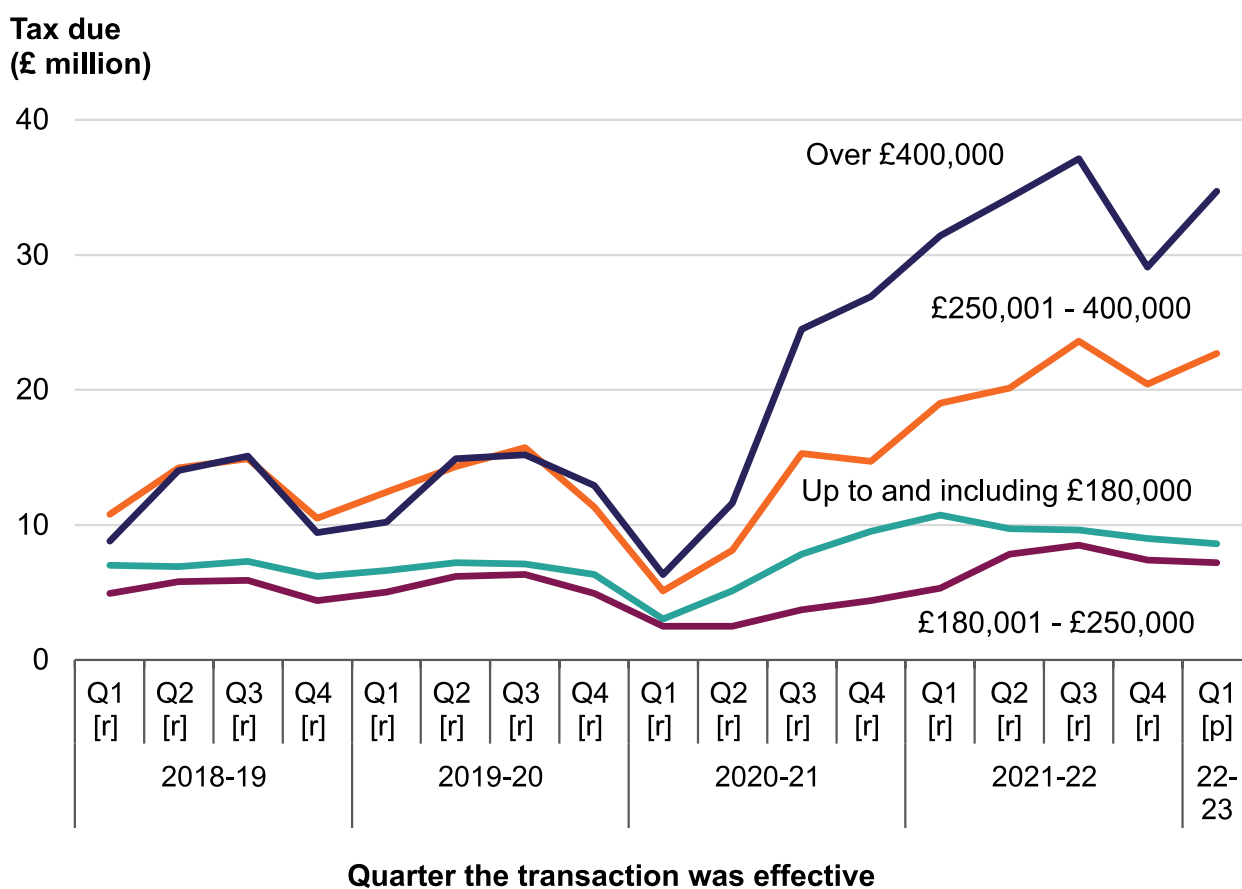
Figure 3.1a shows that in April to June 2021, the numbers of transactions in each band were the highest seen to date (except properties purchased for up to and including £180,000). In the three-month periods since, the number of transactions in each band has generally fallen, although there were increases in some bands in October to December 2021 and April to June 2022.

Figure 3.1b generally shows falls in the percentage of transactions with a value up to and including £180,000, and rises in the percentages of transactions in the higher value bands. Though there are seasonal variations in these figures. Before the COVID-19 pandemic began, between three-fifths and two-thirds of residential transactions in each three-month period had a value up to and including £180,000. In April to June 2022, this figure was 47%, the lowest quarterly percentage seen to date.

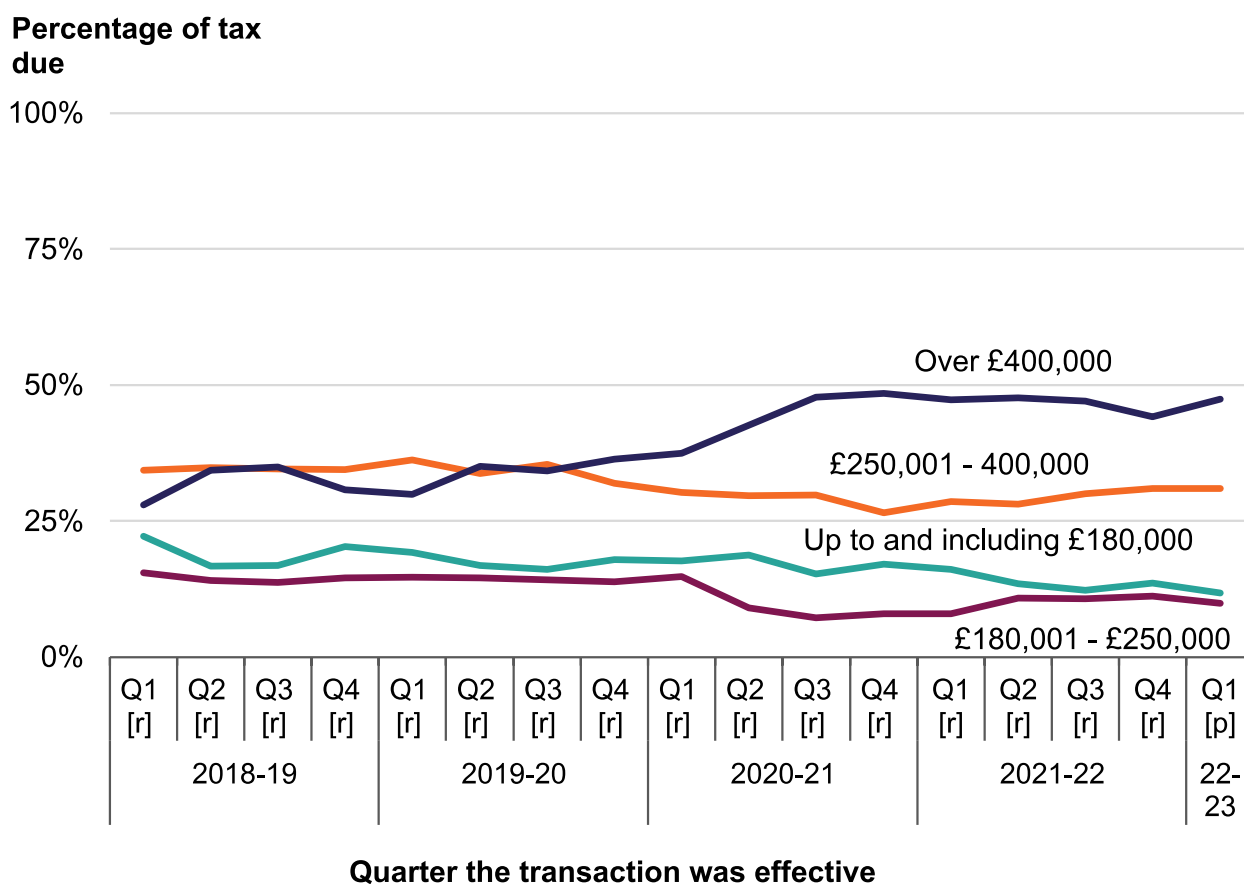
The percentage of transactions with a value £250,001 to £400,000 was 13% in April to June 2018, rising to 22% in April to June 2022. Before the COVID-19

pandemic began, 3% to 5% of transactions in each three-month period had a value of over £400,000. In April to June 2022, this figure had risen to 10%, the highest quarterly percentage seen to date. Though it should be noted there were seasonal variations in all the figures described.

**Figure 3.2a Tax due on residential transactions (£ million), by residential tax band and quarter the transaction was effective [Note 1]**



**Figure 3.2b Percentage of residential tax due in each tax band, by quarter the transaction was effective [Note 1]**



**LTT statistics by time period and residential transaction value on StatsWales**

**Notes to Figures 3.2a and 3.2b**

[1] Please note that this chart excludes any tax due from the additional transactions shown in Figure 1.2.

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figures 3.2a and 3.2b

Figures 3.2a and 3.2b show quarterly trends in **tax due**, and percentage of tax due, in each tax band. As with Figures 3.1a and 3.1b previously, we have combined the largest 3 tax bands here to show results for properties purchased for more than £400,000.

For each of the four bands shown in Figure 3.2a, the amounts of tax due in October to December 2021 were the highest values seen to date (except properties purchased for up to £180,000). These increases in tax due are mainly driven by increases in the value of properties involved. In each band, the tax due in January to March 2022 fell from the previous quarter, as would be expected due to seasonal trends in the property market.

As expected, between April to June 2021 and July to September 2021, there was an increase in the average value of tax due per transaction between £180,000 and £250,000. Up to June 2021, the **temporary reduction in LTT rates for main rate residential transactions introduced on 27 July 2020** more than offset the **increase in the higher rates element of LTT introduced on 22 December 2020**. With the temporary rate reduction period having ended on 30 June 2021, the average tax due per transaction in this band increased in July to September 2021.

Figure 3.2b shows that the quarterly percentage of tax due on properties with a value over £400,000 was around 30% to 40% up to March 2020. Since then, this percentage has varied between 40% and 50%.

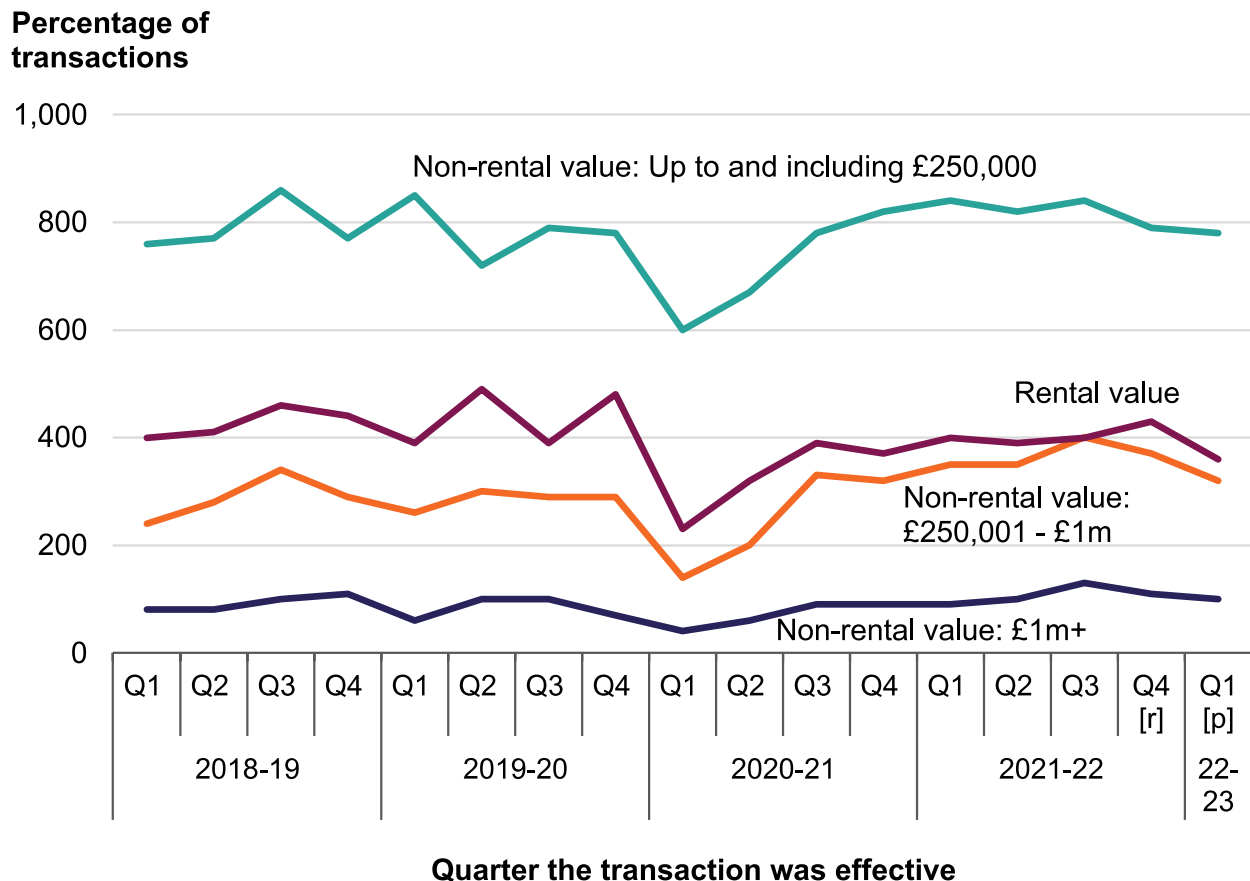
Although the main tax rate is 0% on residential transactions of up to £180,000, in

April to June 2022 these transactions still accounted for 12% of total residential tax due, which relates to the higher rates residential component of the tax. The corresponding figure in April to June 2018 was 22% and has fallen in each April to June since then, but with seasonal variations in the percentage during other quarters of the year.

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## 4. Non-residential transactions by value

**Figure 4.1 Number of non-residential transactions, by value and quarter the transaction was effective**



**LTT statistics by time period and non-residential transaction value on StatsWales**

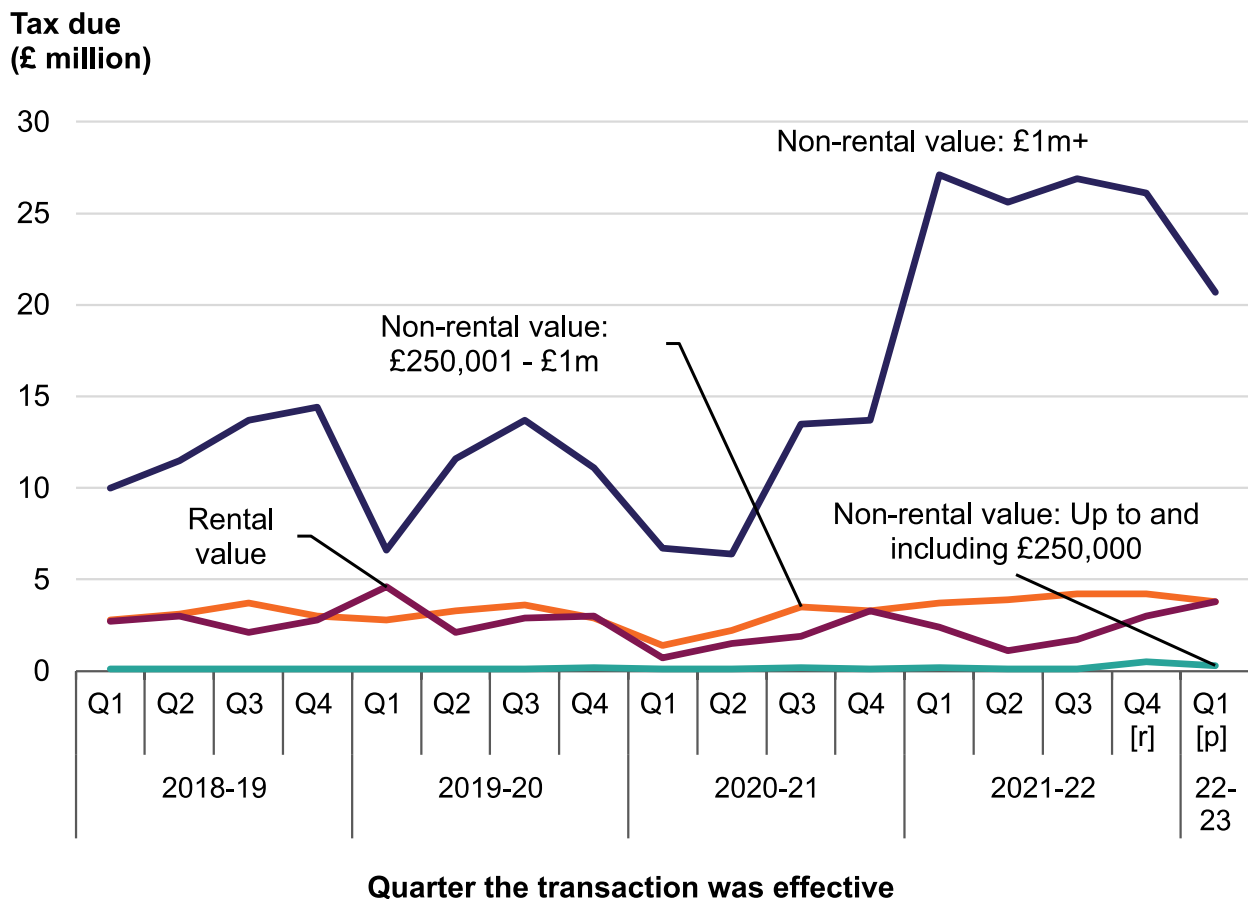
## Notes to Figure 4.1

[1] Please note that a small number of newly granted leases have both a premium paid and a rental value. Therefore these transactions are included twice in Figure 4.1, under both the non-rental value and the rental value.

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

**Figure 4.2 Tax due on non-residential transactions (£ million), by value and quarter the transaction was effective [Note 1]**



**LTT statistics by time period and non-residential transaction value on StatsWales**

**Notes to Figure 4.2**

[1] Please note that this chart excludes any tax due from the additional



transactions shown in Figure 1.2.

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figures 4.1 and 4.2

For each tax band, Figures 4.1 and 4.2 show the quarterly trends in the number of **non-residential transactions** and tax due. There are 4 tax bands for the non-rental value. We have combined the smallest 2 bands here to show results for properties with a non-rental value less than £250,000.

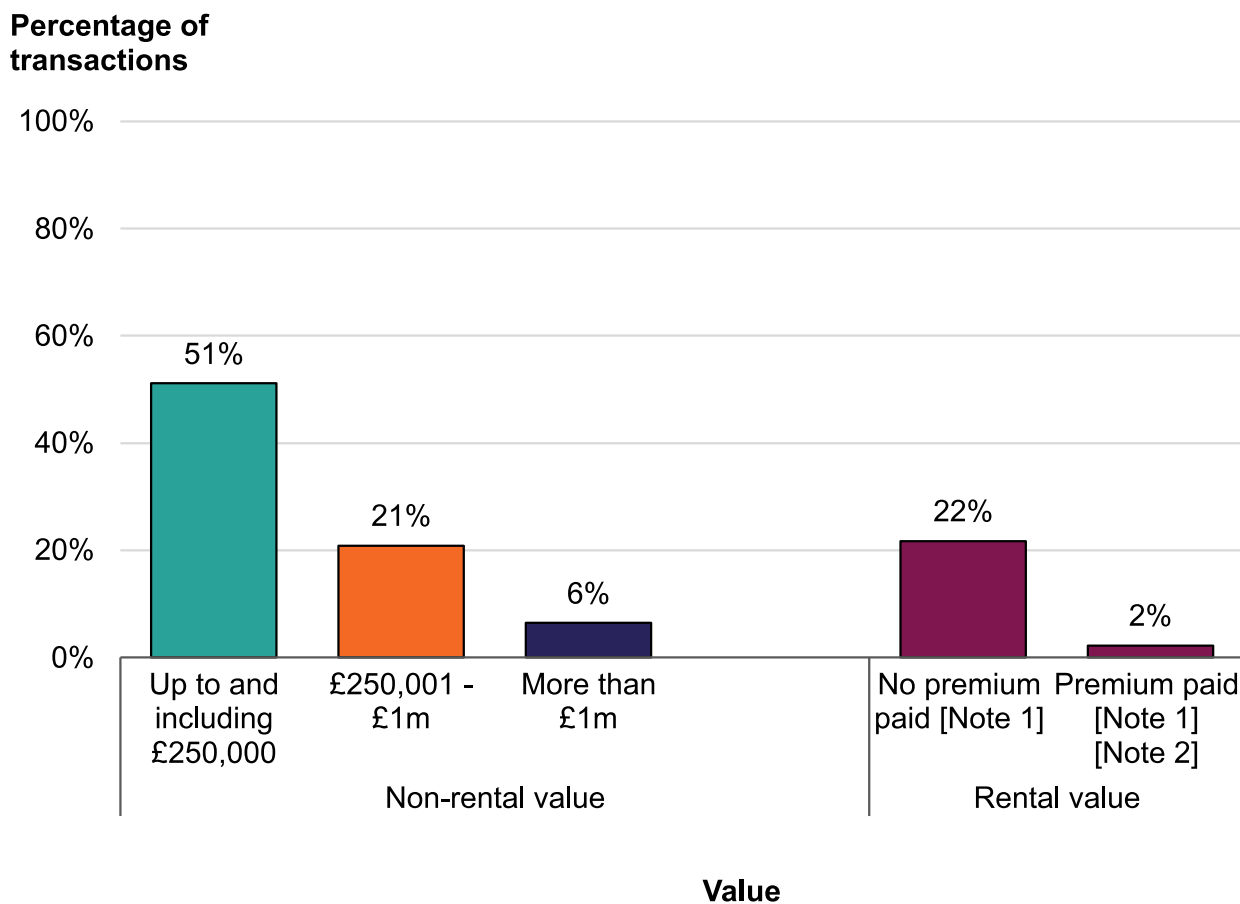
Figure 4.1 shows that in April to June 2020, the number of transactions in each value band fell to the lowest quarterly values seen to date, before recovering over the following months. Please see commentary in previous releases to understand the impact of coronavirus (COVID-19) on transactions. From April 2021, the quarterly tax due in the category 'Non-rental value: £1m+' has been particularly high. This is due to small numbers of large transactions.

Figure 4.2 shows that in each three-month period since April 2018, around 50% to 80% of the tax due has been contributed by transactions with a non-rental value greater than £1 million. In each three-month period up to March 2021, around 10% to 30% of the tax due has been contributed by the rental value of non-residential properties. This percentage fell to around 5% to 10% in each three-month period from April 2021 to March 2022, before rising to 13% in April to June 2022 (shown in Figure 4.4).

It is possible that a changing pattern of transactions during the COVID-19 recovery is contributing to this trend. For example, there is evidence of slightly higher numbers of outright purchases of non-residential property, as compared with new leases. Purchases tend to generate more revenue than leases but it is

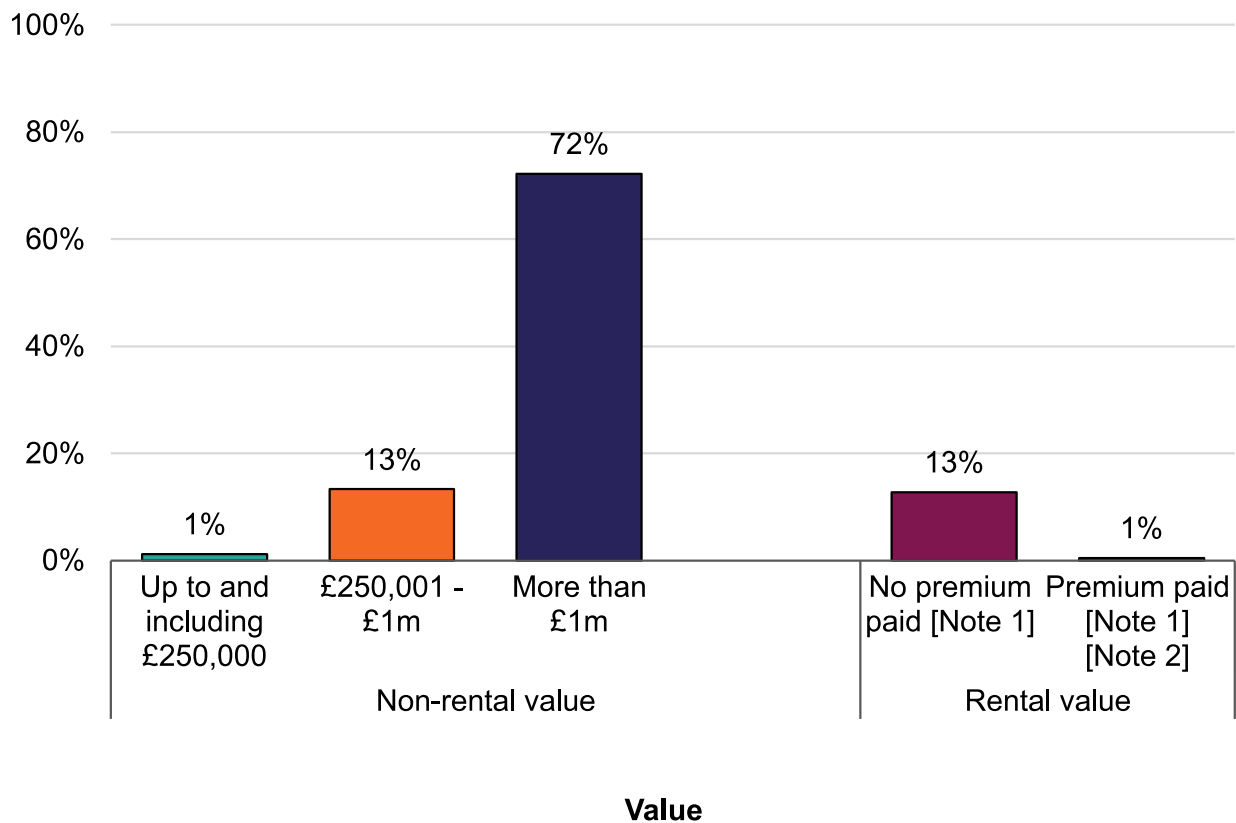
still unclear what impact this may have on future revenues. We will continue to monitor these trends in future.

**Figure 4.3 Percentage of non-residential transactions in each value band, April to June 2022 [provisional]**



**Figure 4.4 Percentage of tax due on non-residential transactions in each value band, April to June 2022 [provisional]**

Percentage of tax due



**LTT statistics by time period and non-residential transaction value on StatsWales** (includes data back to April 2018, not presented above)

## Notes to Figures 4.3 and 4.4

[1] The term 'premium' is more accurately described as 'consideration other than rent'. In most cases, the premium paid will be in the form of a cash value, but could take another form.

[2] Please note that transactions with both a rental value and a premium paid are counted twice in the number of transactions (in Figure 4.3). The tax due for these transactions is counted once (in Figure 4.4).

## Commentary on Figures 4.3 and 4.4

Figure 4.3 shows that in April to June 2022, 6% of **non-residential transactions** had a non-rental value of more than £1 million. These transactions accounted for 72% of the non-residential tax due (Figure 4.4). A small number of very large non-residential transactions influenced this percentage.

Figure 4.3 also shows that for 24% of non-residential transactions in this period, a rental value was associated with the property (which contributed to the tax paid on the transaction).

The rental value of non-residential properties accounted for 13% of the total non-residential tax due (Figure 4.4).

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## 5. Reliefs

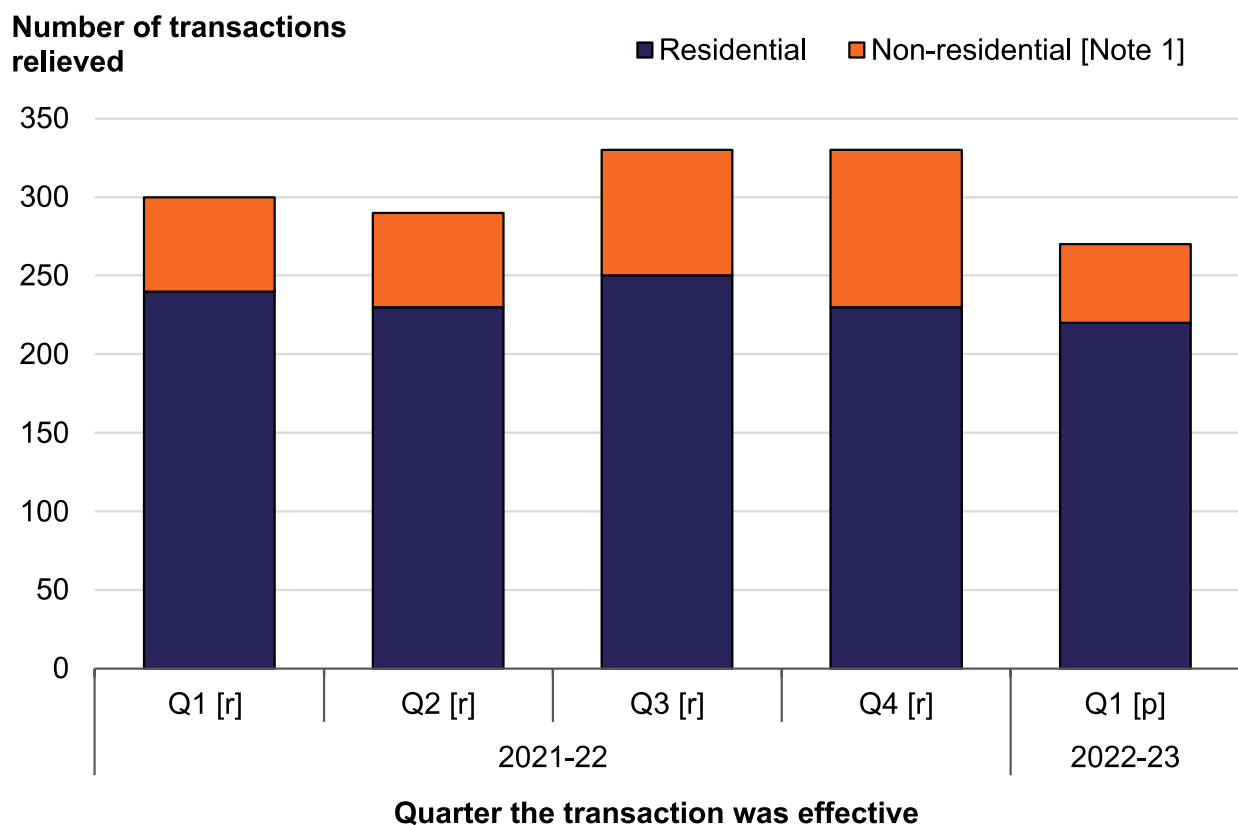
Taxpayers can claim **reliefs** on both residential and non-residential transactions. Reliefs reduce the amount of tax due when certain conditions are met. More

than one relief can be applied to a single transaction.

Reliefs may reduce the tax due:

- to zero, known as a full relief, or
- by a certain percentage or amount, known as a partial relief

**Figure 5.1 Number of transactions relieved which had an impact on tax due, by quarter the transaction was effective**



**LTT statistics on reliefs impacting on tax by measure and transaction type on StatsWales** (includes data back to April 2018, not presented above)

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## Notes to Figure 5.1

[1] The category 'non-residential' includes properties that are not wholly residential (namely, those which have both residential and commercial elements).

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figure 5.1

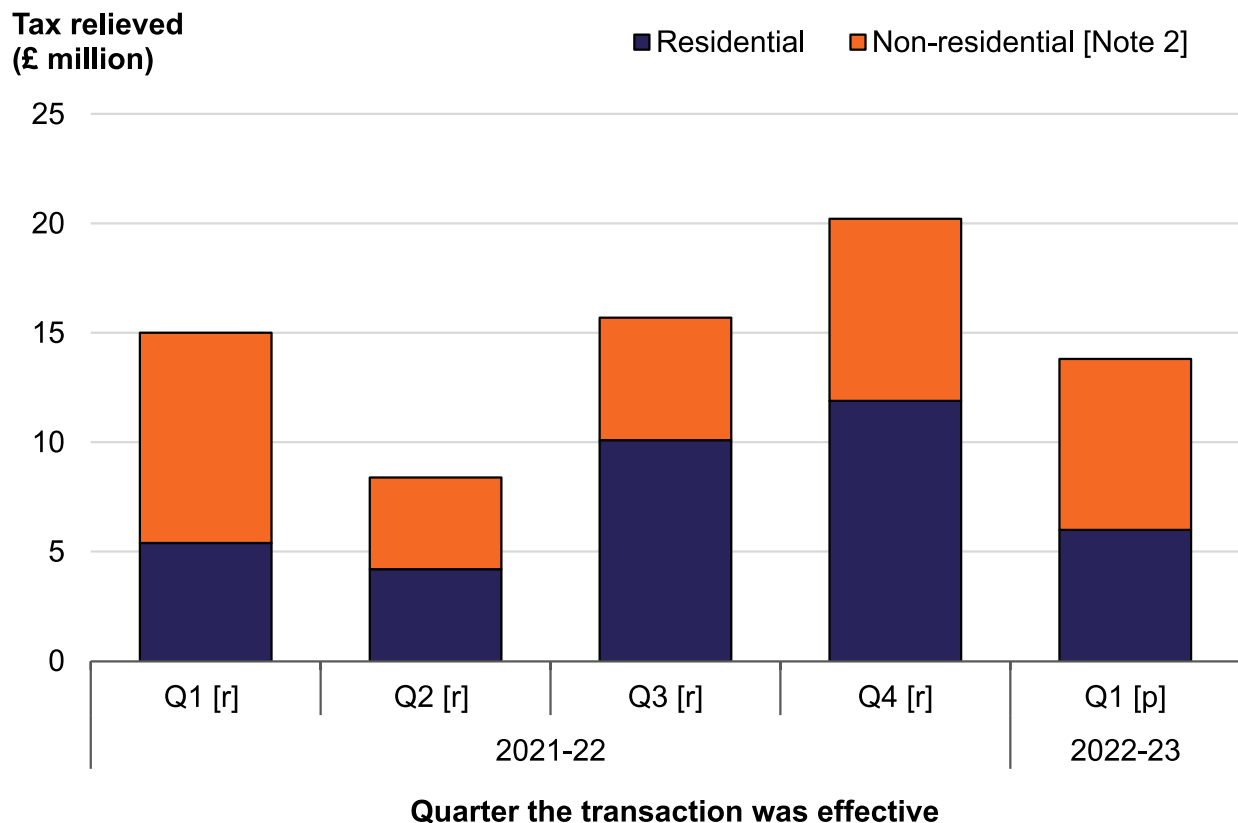
There were 280 transactions in April to June 2022 with reliefs applied to them that reduced the associated tax due. This is lower than in April to June 2021.

For each three-month period, the numbers of reliefs claimed on residential transactions was higher than for non-residential transactions.

On average, there are around 120 reliefs claimed in each three-month period which had no impact on the tax due. These reliefs are excluded from Figure 5.1. Many of them have been reported unnecessarily by the organisations completing the tax return.

As an example, some of these mistakenly claimed reliefs apply to low value residential transactions. Indications are that they are due to a perceived but mistaken need to claim first time buyer relief (which applies for the predecessor tax, but not to LTT). This is known following queries raised with several agents asking why tax reliefs have been claimed where there is no impact on value of the tax. Further information about this category of reliefs is provided in **Example 4 in our key quality information**.

**Figure 5.2 Tax relieved, by quarter the transaction was effective (£ million) [Note 1]**



**LTT statistics on reliefs impacting on tax by measure and transaction type on StatsWales** (includes data back to April 2018, not presented above)

### Notes to Figure 5.2

[1] Please note that this chart excludes any reliefs which may have been claimed on the additional transactions shown in Figure 1.2.

[2] The category 'non-residential' includes properties that are not wholly

residential (namely, those which have both residential and commercial elements).

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figure 5.2

The value of reliefs claimed in each three-month fluctuates considerably over time, along with the share of the value from residential or non-residential transactions. In most three-month periods, non-residential transactions contribute over half of the total value of reliefs claimed. However, several large residential transactions in October to December 2021 and January to March 2022 contributed to residential reliefs being considerably larger than non-residential reliefs.

Further data on reliefs is available on StatsWales at the link above, including quarterly data by type of relief.

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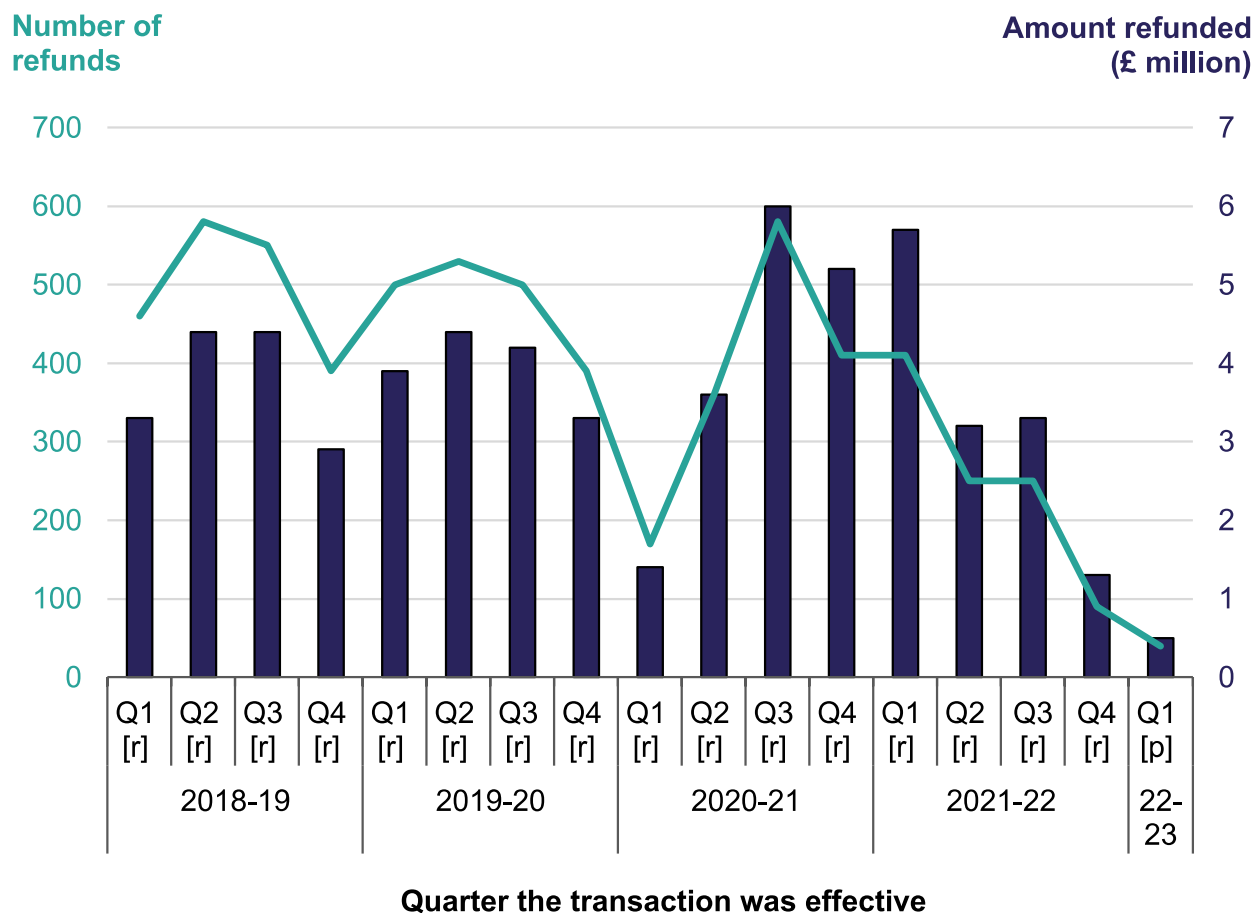
## 6. Higher rate refunds

When a taxpayer claims a [refund for higher rates residential LTT](#), the original transaction is amended to a main rate residential LTT transaction. The data in this release is adjusted for any refunds approved by WRA up to and including 18 July 2022.

### Figure 6.1 Number and value of refunds of higher rates



## residential issued, by effective date



## LTT statistics on higher rate refunds by original transaction date on StatsWales

### Notes to Figure 6.1

[p] The value is provisional and will be revised in a future publication.

[r] The value has been revised in this publication.

## Commentary on Figure 6.1

(not shown in Figure 6.1) Cumulatively, 6,430 higher rate refunds were claimed for transactions effective in April 2018 to June 2022, with £61.3 million refunded to taxpayers.

Taxpayers have up to 3 years to sell their previous main residence and claim a refund. Therefore, all the values in Figure 6.1 will continue to be revised upwards in future editions of our statistics. This will lead to the total tax due in other tables and charts reducing.

The number and value of refunds presented for April to June 2022 is lower than for earlier periods. This is because compared with earlier periods, not enough time has passed since the transaction was effective for many of the relevant taxpayers to sell their previous main residence and claim their refund.

## Refunds of higher rates residential by date the refund was approved

Another useful way of presenting data on higher rates refunds is to use the date when the refund was approved by the WRA. A dataset using these dates and the effective date of the original transaction can be found on the StatsWales website at the link below.

[LTT statistics on higher rate refunds by original transaction date and refund approved date on StatsWales](#)

## Refunds of higher rates residential (cash basis)

Further information on the refund payments made to taxpayers, by the month in

which they were made, can be found at the link below.

## **[LTT statistics on tax paid and higher rate refunds \(cash basis\) on StatsWales](#)**

In the main, these additional data are provided to support forecasting requirements.

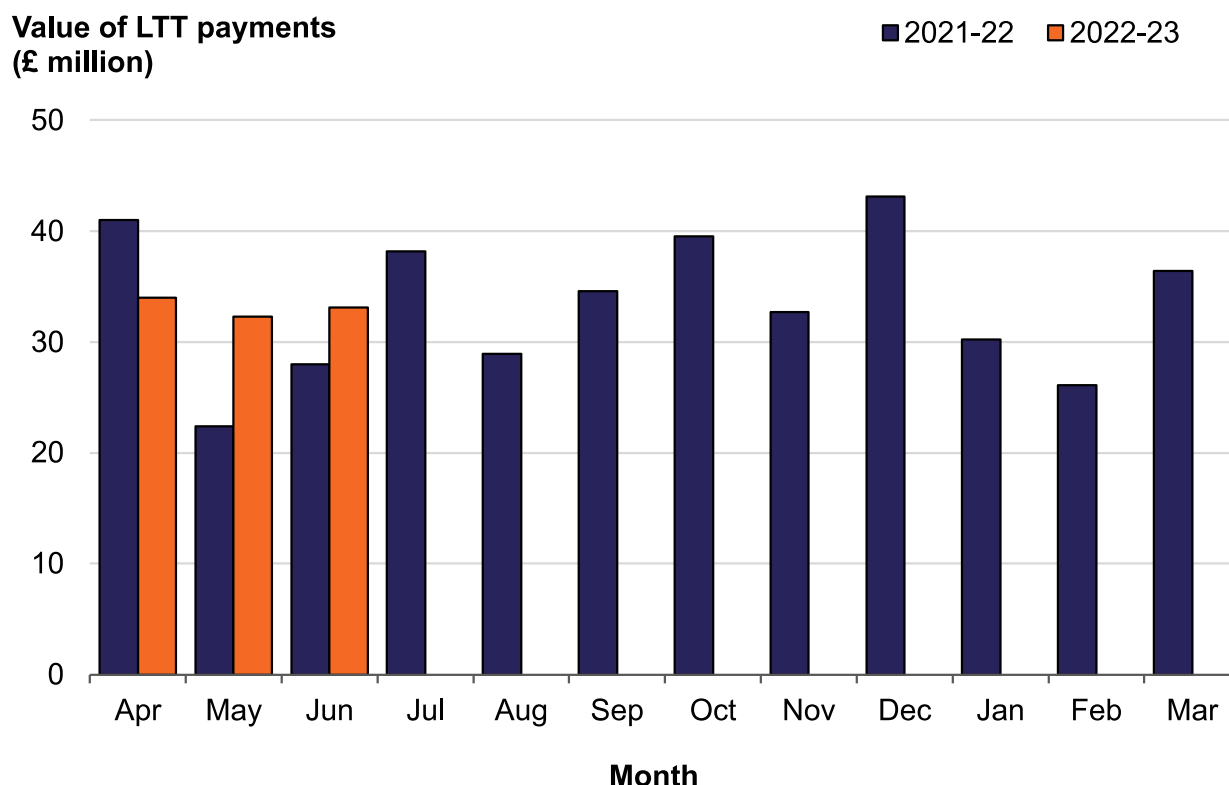
## **Intention to claim a refund of the higher rates element**

For all higher rates transactions, the WRA asks the question whether the taxpayer intends to reclaim the higher rates element in future. It will take several years before we know how likely someone is to claim based on their stated intentions (it can take up to 3 years to make the claim). But we do currently know that around 70% of those who do claim answer this question in the positive.

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## 7. Tax paid

**Figure 7.1 Land Transaction Tax (LTT) paid to the Welsh Revenue Authority (WRA)**



**LTT statistics on tax paid and higher rate refunds (cash basis) on StatsWales** (includes data back to April 2018, not presented above)

### Commentary on Figure 7.1

In April to June 2022, the WRA received £99.3 million in LTT payments. This is 9% higher than the £89.7 million received in April to June 2021. As described in

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**section 1 of this release ('About these statistics')**, it is more appropriate to make comparisons of the current period against April to June 2021 than the previous quarter (January to March 2022).

These values are different to those reported in Figure 2.3 as they relate to the payments **received** in each month (often referred to as 'on a cash basis'). This differs from earlier data presented in this release which is based on transactions that were **effective** in the month.

There is a difference in April 2018 as the WRA only started collecting the tax in that month. Therefore, no payments relating to transactions effective in earlier months were relevant.

Please also note that the data in Figure 7.1:

- is presented net of higher rate refunds being paid out in a particular month
- includes penalties paid (such as for late filing or late payment) and also interest paid on previous LTT debt
- will not include a relatively small amount of unpaid LTT, which we are managing through our debt management processes

The highest monthly receipts seen to date were in December 2021 (£43.1 million). Usually, monthly trends in payments made are partly influenced by tax due reported at the end of the previous month. However, it is more likely that tax due reported in December is paid in December, along with payments related to transactions in late November. This is because of Christmas holidays and low levels of transactions reported and tax being paid at the end of December, with many transactions brought forward and settled before the last week of the month.

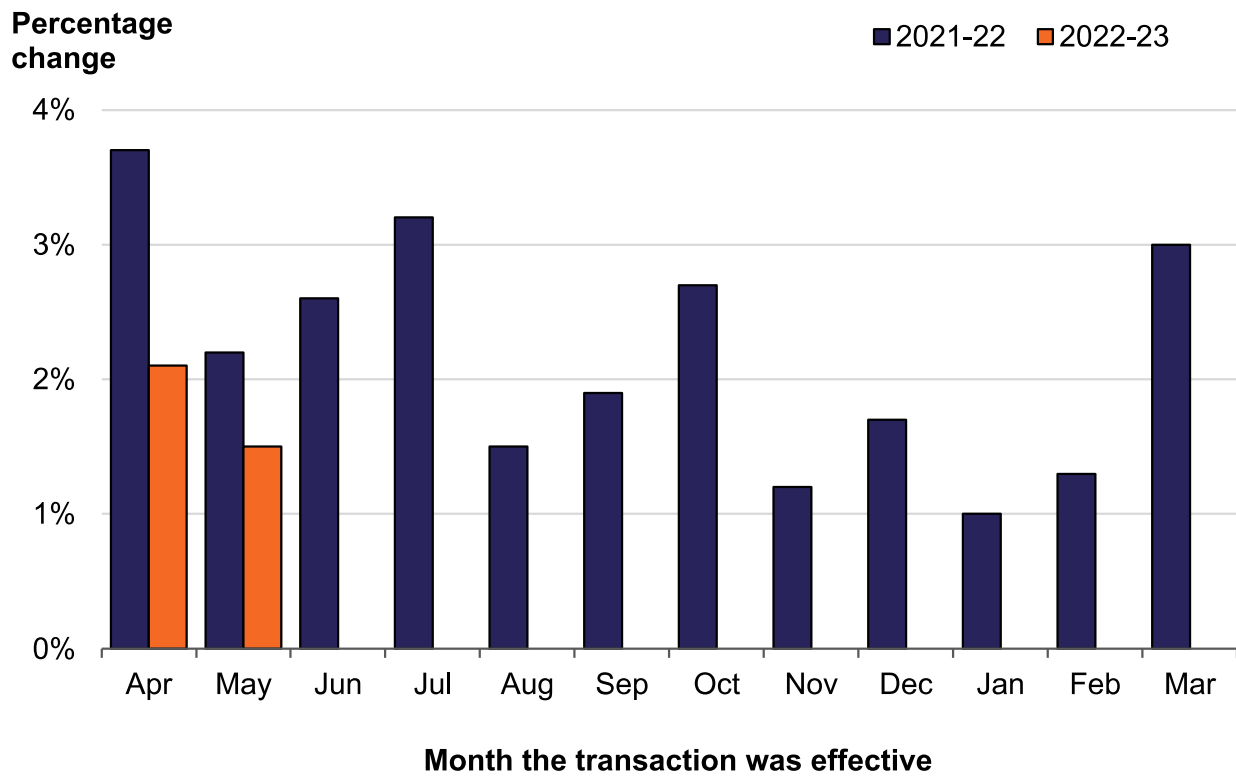
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## Annex A: Analysis of revisions

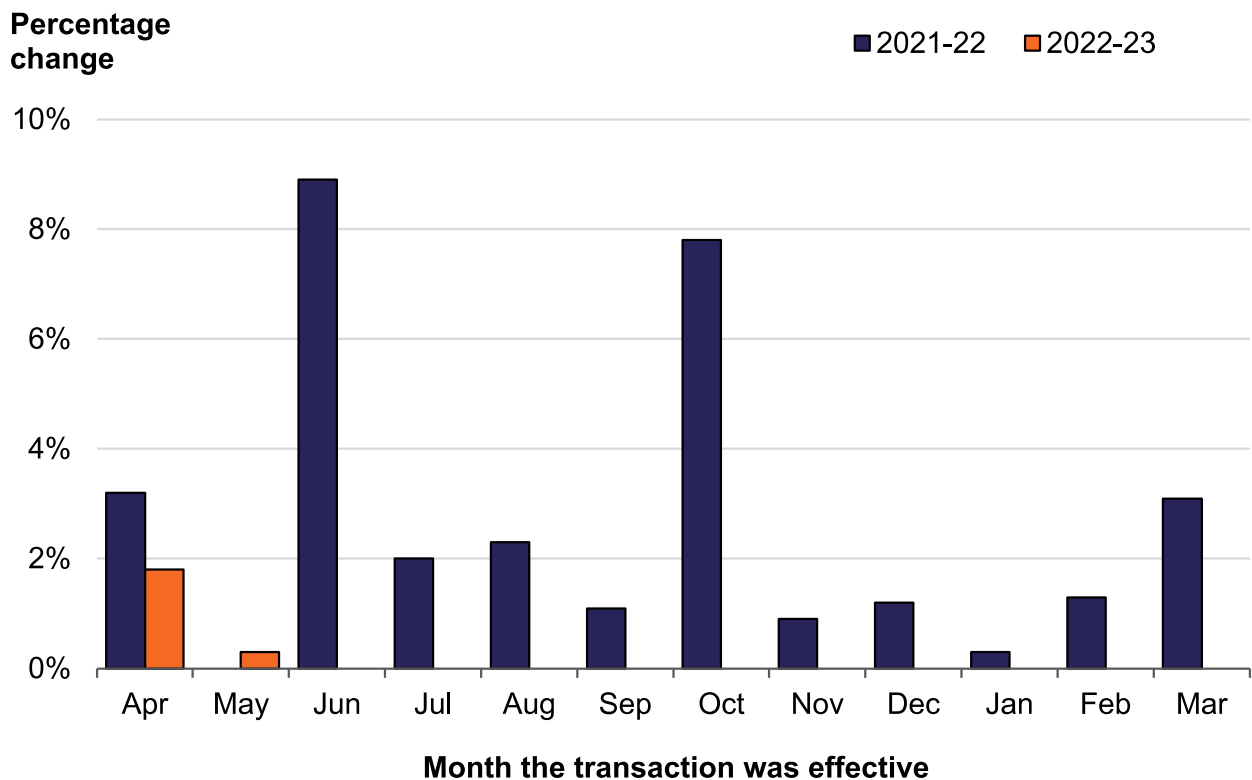
We analyse here the effect of the regular revisions made to Land Transaction Tax statistics. We analyse the differences between the first, second and third estimates published for a month. This is for both the number of transactions and the tax due.

For example, we have published 3 estimates for April 2022. We published the first estimate on 20 May 2022, published the second estimate on 24 June 2022 and the third estimate on 28 July 2022.

**Figure A1 Number of transactions: Percentage change between the first and second estimates, by month the transaction was effective**



## Figure A2 Tax due: Percentage change between the first and second estimates, by month the transaction was effective



[Percentage change between the first and second estimates, by month transaction was effective \(Open Document Spreadsheet\)](#) (includes data back to April 2018, not presented above)

### Commentary on Figures A1 and A2

Since August 2018, revisions between the first and second monthly estimates



for transactions and tax due have generally been upwards and between 0 and 5%. Exceptions since April 2021 were:

- June 2021 (tax due was revised upwards by 9%)
- October 2021 (tax due was revised upwards by 8%)

These exceptions are generally due to a small number of larger value returns arriving towards the end of the 30-day notification period.

As analysed in previous releases, revisions were generally higher in the several months after April 2018 when the WRA began collecting LTT. The lower level of revisions generally seen now is likely to be due in part to an increasing familiarity with the system amongst solicitors and conveyancers completing the returns. It is consistent with a general decrease in the time taken for returns to be filed with the WRA over the same period (not shown in tables or charts).

There may also be seasonal effects in revisions to the data, although we will need further data over the coming years to assess this.

## **Revisions between second and third published estimates**

In a spreadsheet published alongside this statistical release, Tables A1 and A2 show the difference between first, second and third published estimates for a month.

We see relatively small increases between the second and third estimates for a month. In general, this is also the case for the later estimates for a month (not shown in the tables). However, falls may be seen in the second, third and later estimates of tax due for a month. This is because the data are shown net of any refunds for higher rate residential transactions. These refunds may be claimed several years after the effective date of the original transaction. We analyse refunds in [section 6 of this statistical release](#).

In general, we see larger revisions in the data on non-residential transactions than for residential transactions. This reflects the more volatile nature and often larger size of non-residential transactions.

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## Links to key quality information and glossary pages

Our [key quality information](#) page describes how our Land Transaction Tax statistics meet the Code of Practice for Statistics and the dimensions of value, trustworthiness and quality.

We define relevant terms in the [glossary](#) as they are used in this release.

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## Feedback and contact details

We would be grateful for your feedback on these statistics, to help us improve them. Please contact us using the details below.

**Statistician: Dave Jones**

**Telephone:** 03000 254 729

**Email:** [data@wra.gov.wales](mailto:data@wra.gov.wales)

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**Awdurdod Cyllid Cymru**  
**Welsh Revenue Authority**



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