



Llywodraeth Cymru
Welsh Government

STATISTICS, DOCUMENT

Land Transaction Tax statistics: July to September 2023

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.

First published: 26 October 2023

Last updated: 26 October 2023

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Introduction

We have refreshed the content and format of this statistical release. We welcome your comments on these changes to data@wra.gov.wales.

Land Transaction Tax (LTT) is payable 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.

This statistical release analyses the main trends in transactions and tax due for LTT. The [accompanying spreadsheet](#) and our [StatsWales tables](#) contain more detailed information, including annual breakdowns by local authority, National Park and other geographies.

LTT statistics provide relatively timely information on activity in the Welsh property market. The statistics are also used by the Office for Budget Responsibility to [forecast LTT revenues](#).

The [glossary](#) defines relevant terms used in this release. Our [key quality information](#) describes how LTT statistics satisfy the Code of Practice for Statistics.

Our [statistical output policy](#) explains the policies and procedures we have in place for publishing official statistics, including our approach to revisions. We also publish the [list of posts](#) which have pre-release access to our statistics, including for LTT.

When comparing LTT statistics over time, users should be aware of previous changes to LTT rates which affect the amount of tax due:

[Changes to the nil rate threshold from 27 July 2020 to 31 March 2021](#)

[Extension of the temporary tax reduction period from 31 March 2021 to 30](#)

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June 2021

Increase to the higher residential rates and changes for non-residential property from 27 December 2022

Changes to main residential rates and bands from 10 October 2022

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Main points

Residential transactions

- In July to September 2023, residential transactions were down 19% from the same quarter a year earlier, while the tax due was down 31%.
- Higher rates transactions were down 23% on the same quarter a year earlier.
- In each month so far in 2023, the numbers of transactions and amount of tax due have been lower than the same month a year earlier. These trends were likely to have been influenced by wider economic conditions.
- The percentage of transactions in the higher property bands has generally been increasing in the past few years. Similarly the contribution of these transactions to overall tax due has generally risen. For example, sales of residential properties over £750,000 contributed 4% of tax due in April to June 2018, rising to 16% in July to September 2023.

Non-residential transactions

- In July to September 2023, non-residential transactions were 3% higher than the same quarter a year earlier, while the tax due was down 51%

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- In April to December 2022, the monthly tax due on non-residential transactions was above the monthly average (calculated since April 2018) for most of the time. From January 2023 onwards, the monthly non-residential tax due was below the monthly average (£6.9 million) every month except for March 2023.
- In July to September 2023, 65% of non-residential tax due was contributed by transactions where there was a purchase involved of over £1 million. However, these transactions made up only 5% of non-residential transactions in this period. Meanwhile, the 28% of transactions with a rental element contributed 10% of the tax due.

Statistician's comment

Adam Al-Nuaimi, Head of Data Analysis in the WRA, commented on these statistics:

“Quarterly residential LTT revenues in the first three quarters of 2023 were lower than each of the previous seven quarters, though generally remaining higher than in the three years prior to that. The lower revenues so far in 2023 reflected lower numbers of transactions, likely to have been influenced by wider economic conditions.

“Quarterly revenue from non-residential transactions was lower in July to September than in each of the eleven previous quarters. The earlier trends were largely driven by a small number of large transactions, and we have seen fewer of these recently.” ”

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Analysis

Please note that throughout this release, any use of the term 'non-residential' includes transactions that are not wholly residential. That is, those transactions which have both residential and commercial elements.

Users should be aware that if a property or piece of land is sold multiple times within a quarter or a year, it would feature multiple times in the statistics for that period. For example, in April 2022 to March 2023, we estimate that between 3% and 4% of transactions involved a piece of land or property which has been sold more than once in the year.

The data presented in this release has been extracted as at 16 October 2023, unless otherwise stated.

Table 1: Transactions and tax due for July to September 2023, by type of transaction, and % change from the same period one year earlier

Transaction type	July to September 2023 [provisional]	% change (compared with July to September 2022) [note 2]
Transactions [number]		
Residential	11,800	-19%
Of which: higher rates residential	2,640	-23%
Non-residential	1,440	3%

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Transaction type	July to September 2023 [provisional]	% change (compared with July to September 2022) [note 2]
All transactions	13,240	-17%
Tax due [£ millions]		
Residential	59.5	-31%
Of which: Additional revenue from higher rates [note 1]	20.3	-27%
Non-residential	13.4	-51%
All transactions	72.8	-36%

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

[Note 1] This item only includes the additional revenue from higher rate transactions. This item does not include the main rate component of higher rate transactions.

[Note 2] Estimates for July to September 2022 were made in October 2022.

Largely due to seasonal patterns in the property market, it can be helpful to compare the current period with data from the same period a year earlier. Therefore, when comparing July to September 2023 on a like-for-like basis with July to September 2022:

- the total number transactions fell by 17% and the tax due on those

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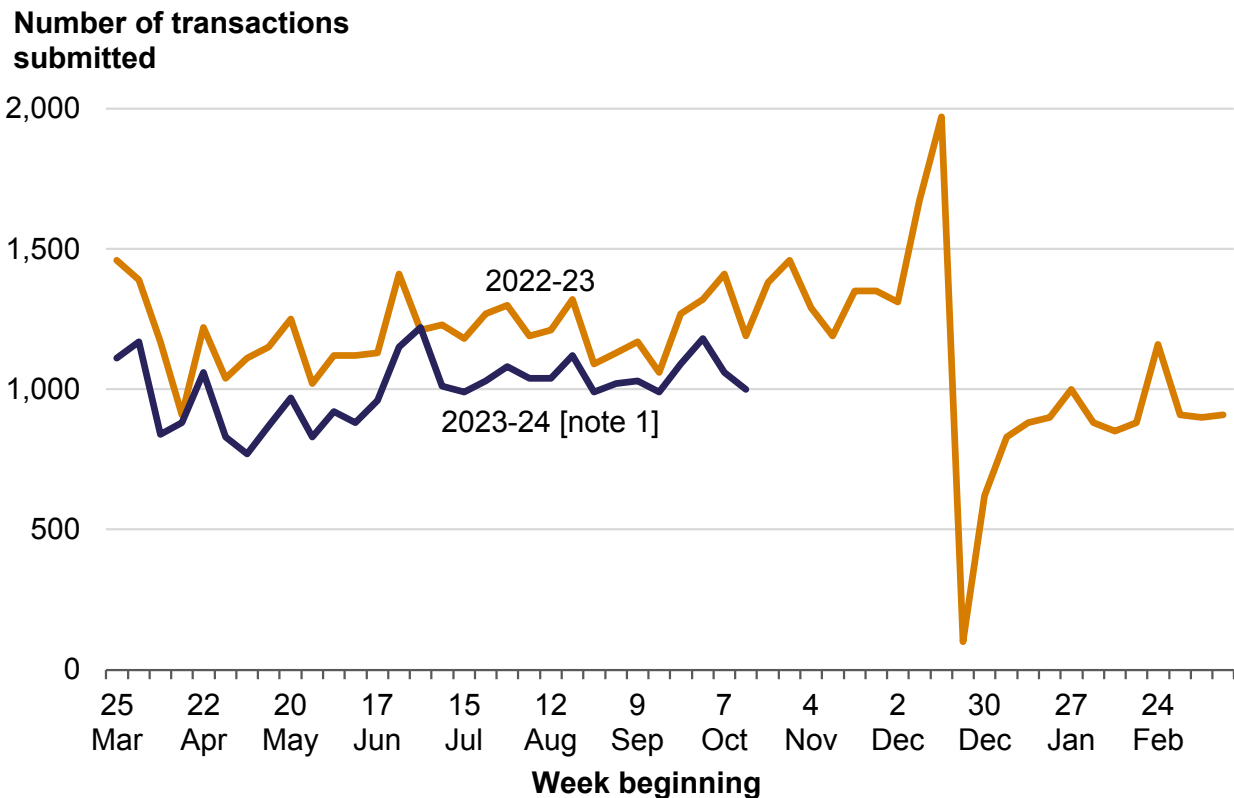
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transactions fell by 36%

- residential transactions fell by 19% and the tax due on those transactions fell by 31%
- of which, higher rates transactions fell by 23%
- additional revenue from higher rates residential transactions fell by 27%
- non-residential transactions rose by 3%. Tax due from non-residential transactions fell by 51%

Figure 1: Weekly number of transactions submitted to the WRA



Description of Figure 1: The line chart shows the weekly number of transactions submitted to the WRA had a sharp drop during holidays and December 2022.

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Generally, the weekly numbers of transactions submitted since April 2023 were lower than the same week in the previous year.

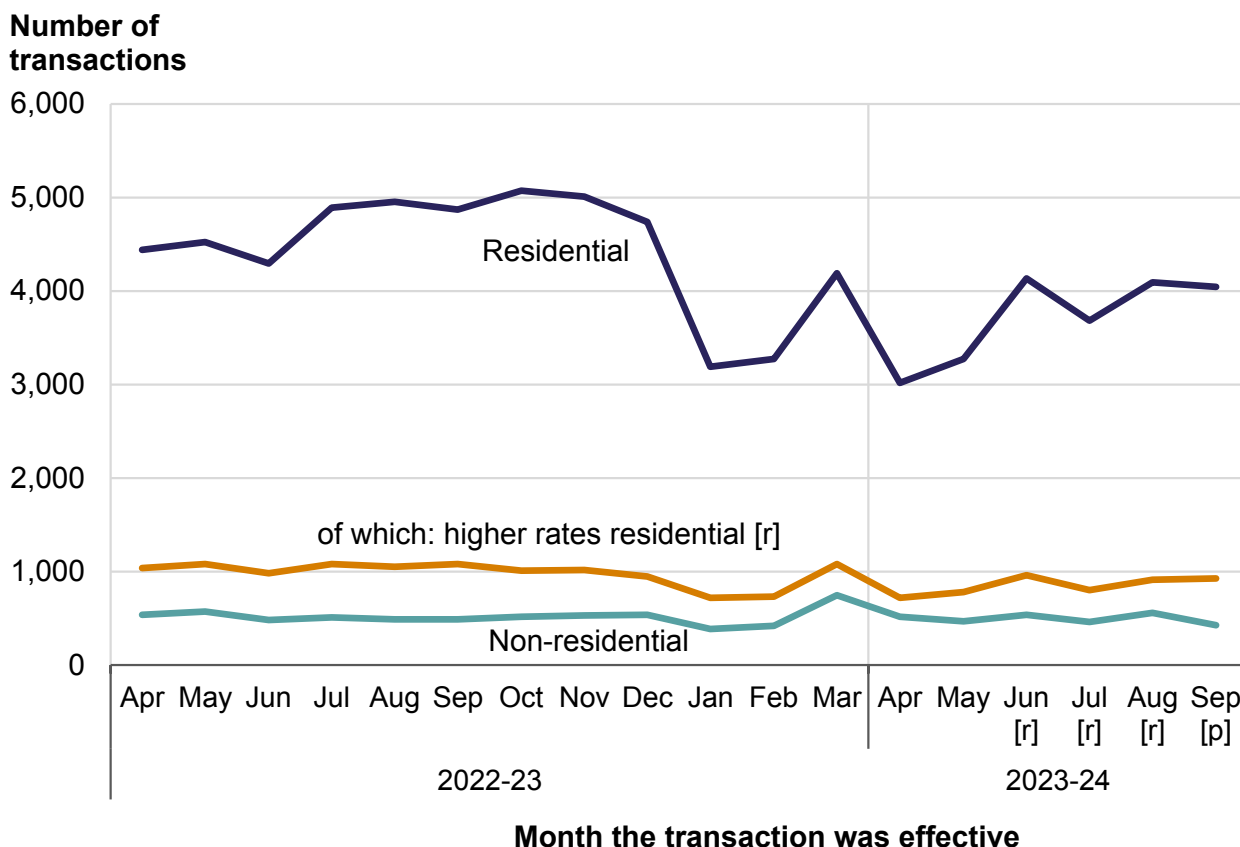
Source: [Weekly number of transactions submitted to the WRA \(Open Document Spreadsheet, 119 Kb\)](#) (includes data back to April 2018, not presented above)

[Note 1] This includes a small number of transactions effective in October 2023.

Figure 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 '7-Oct' in 2023-24 shows the number of residential and non-residential transactions submitted to the WRA from 7 to 13 October 2023 (inclusive). The actual dates differ slightly in the previous year. For example, the equivalent week in the previous year ran from 6 to 12 October 2022 (inclusive).

Figure 1 shows data by **submitted date** and does not use data extracted on a certain date. This differs from effective date, which is the date we use for most analysis in this release and for which we extract data as at a particular date (16 October 2023 in this release).

Figure 2: Number of transactions, by type and month the transaction was effective



Description of Figure 2: The line chart shows that the monthly number of residential transactions from April to September 2023 was lower than the same month a year earlier, though the gap was smaller for June. Since April 2023, non-residential transactions were at a lower level and fluctuated, with a large rise seen in March 2023 from the previous month.

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

[p] Values for September 2023 are provisional and will be revised in a future publication.

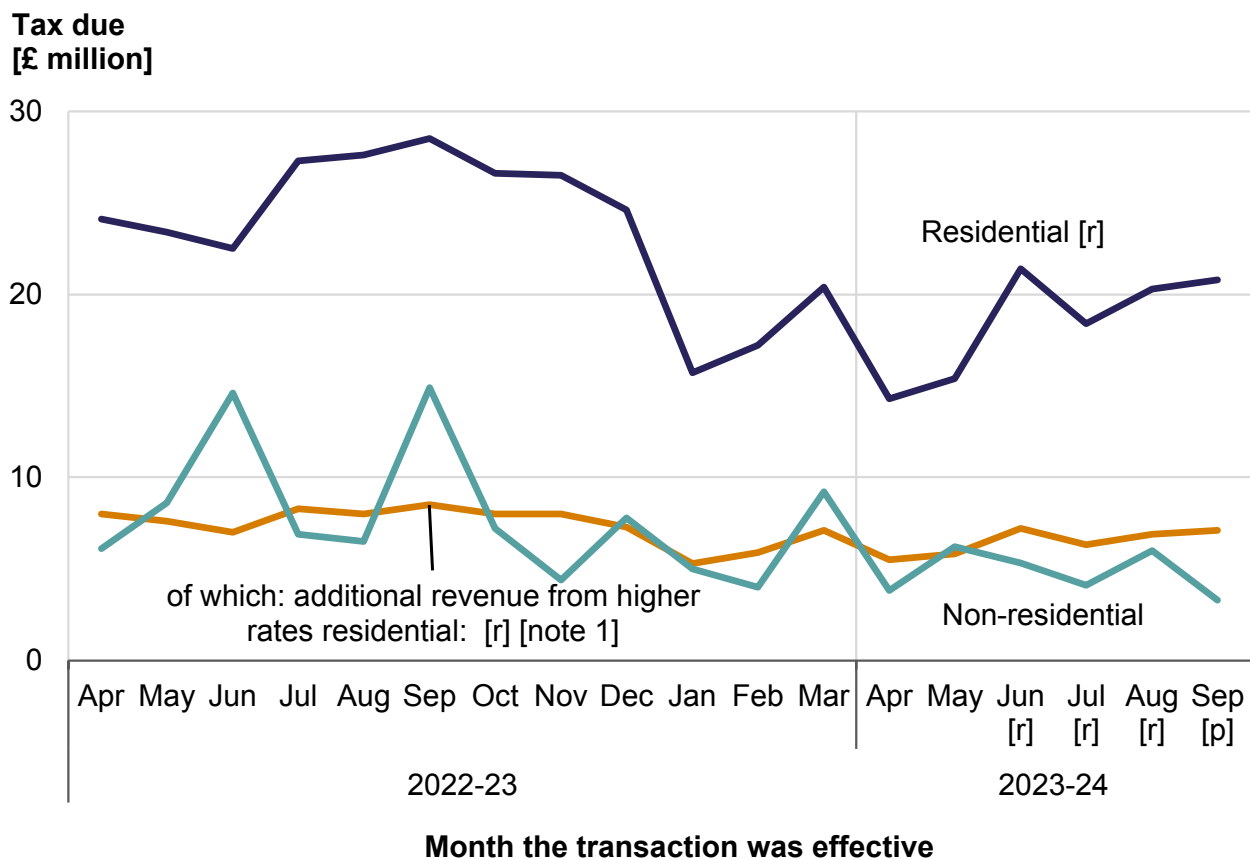
[r] Values for June to August 2023 are revised in this publication. Higher rates residential transactions for earlier periods have been revised downwards due to higher rate refunds being claimed.

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 five Fridays in particular months, rather than four. Figure 2.9 in [our annual statistical release](#) shows that 44% of transactions effective in April 2022 to March 2023 have an effective date that is a Friday.

Since April 2023, the number of residential transactions was lower than the same month in the previous year, except for a smaller difference in June which was likely impacted by there being five Fridays in June 2023.

For non-residential transactions, in March each year we see an increase from the previous month (February). This may generally be due to non-residential leases to be renewed at the end of the financial year. However, in March 2023, the increase in non-residential transactions over February was due to purchases, and the reasons for this are unclear.

Figure 3: Tax due on residential transactions, by month transaction was effective [£ million]



Description of Figure 3: The line chart shows since April 2023, the monthly amount of tax due on residential transactions was lower than the same month in the previous year. In April to December 2022, the monthly tax due on non-residential transactions was above the monthly average (calculated since April 2018) most of the time. From January 2023 onwards, the monthly non-residential tax due was below the monthly average (£6.9 million) every month except for March 2023.

Source: [LTT statistics by time period and transaction type on StatsWales](#)

(includes data back to April 2018, not presented above)

[Note 1] This item only includes the additional revenue from higher rate transactions. This item does not include the main rate component of higher rate transactions.

[p] Values for September 2023 are provisional and will be revised in a future publication.

[r] Residential values for August 2023 and earlier have been revised downwards in this publication. This is to account for refunds of the higher rates of residential tax being paid out. Non-residential values for June to August 2023 have also been revised.

As may be expected, similar trends are generally seen in the monthly residential tax due and the monthly counts of transactions.

Revenues from residential transactions fell considerably in January 2023 over the previous month. This was likely influenced by seasonal trends in the property market and wider economic conditions beginning to impact upon transactions. In the following months, revenues remained lower than revenues seen in the same months the previous year.

Monthly non-residential revenues were particularly high in June and September 2022. This was due to a small number of large non-residential transactions, of which most were purchases. We have seen fewer such large transactions in the nine months since and lower revenues.

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.

Residential transactions by value

Figures 4 and 5 below shows quarterly trends in the number of **residential transactions** and amount of **tax due** in each tax band. There are six residential tax bands. We have combined the largest two bands here to show results for properties purchased for more than £750,000.

Transactions below £400,000 have been split into two categories based on the nil rate threshold for main rates transactions that was in place at the relevant times in the past five years.

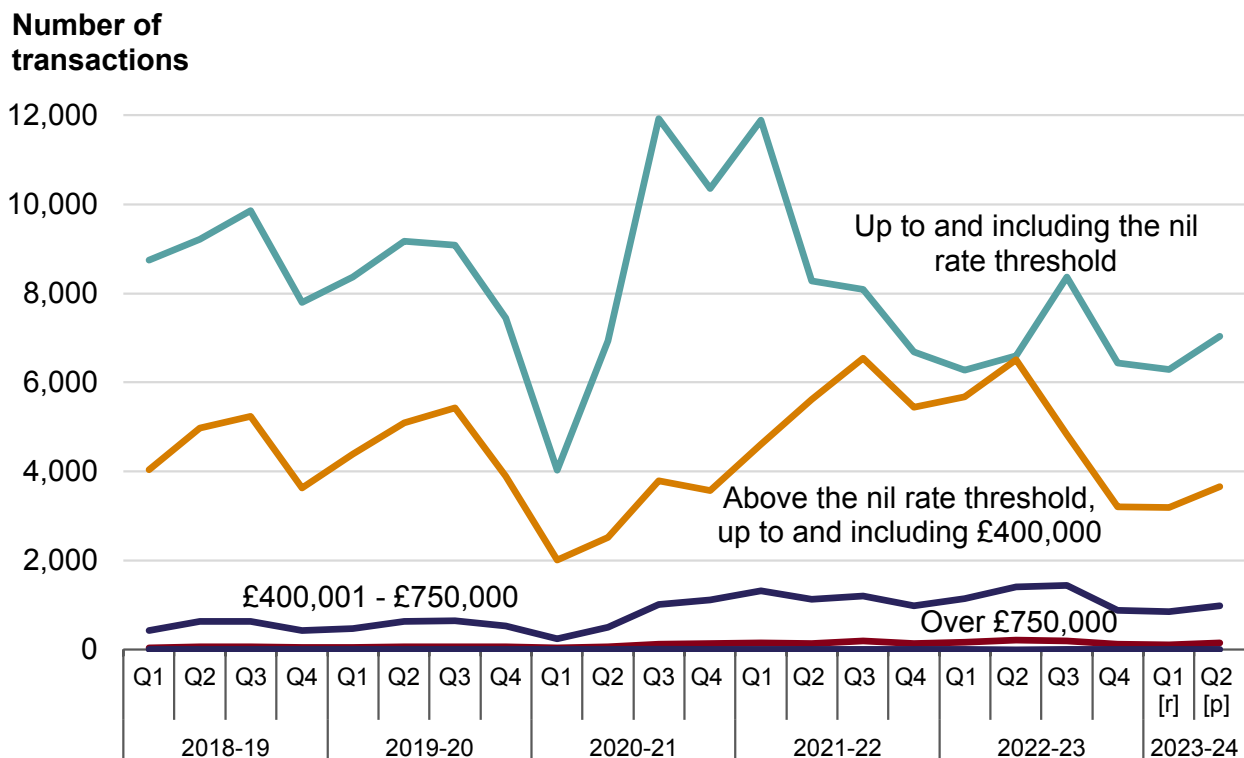
For higher rates transactions, the nil rate threshold has been static over the last five years at £180,000. Therefore higher rates transactions with a value up to £180,000 are included in the band 'up to and including the nil rate threshold'. And higher rates transactions with a value from £180,001 to £400,000 will still be included in the band 'above the nil rate threshold, up to and including £400,000'.

For main rates transactions, the nil rate threshold was:

- £180,000 from 1 April 2018 to 26 July 2020 and from 1 July 2021 to 9 October 2022
- £250,000 from 27 July 2020 to 30 June 2021 (due to the temporary tax reduction period)
- £225,000 from 10 October 2022 onwards (due to a permanent change in main residential rates and bands)

In the time periods where the nil rate threshold for main rates was higher (27 July 2020 to 30 June 2021 and since 20 October 2022), this influenced the number of transactions in the two categories 'up to and including the nil rate threshold' and 'above the nil rate threshold, up to and including £400,000'.

Figure 4: Number of residential transactions, by residential tax band and quarter the transaction was effective



Quarter the transaction was effective

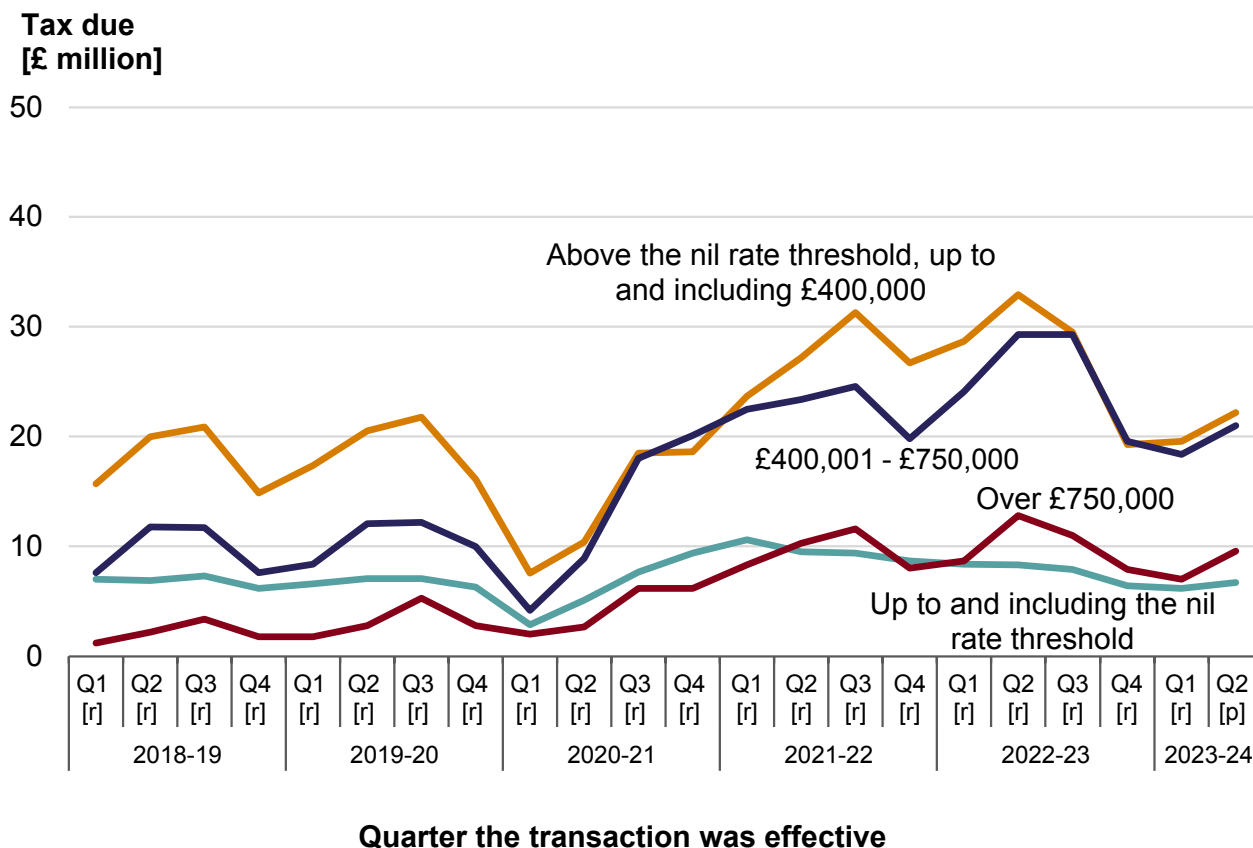
Description of Figure 4: The line chart shows the number of residential transactions in the bands ‘up to and including the nil rate threshold’ and ‘above the nil rate threshold up to and including £400,000’ varied considerably over time. The quarterly number of transactions in the ‘£400,001 to £750,000’ and ‘over £400,000’ bands were highest in October to December 2022 and July to September 2022 and have been lower since.

Source: [LTT statistics by time period and residential transaction value on StatsWales](#)

[p] The values for July to September 2023 are provisional and will be revised in a future publication.

[r] The values for April to June 2023 have been revised in this publication.

Figure 5: Tax due on residential transactions, by residential tax band and quarter the transaction was effective [£ million]



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Description of Figure 5: The line chart shows that the quarterly amounts of tax due in the upper value tax bands was considerably higher in the past three years than in the years prior to that. The amounts of tax due deriving from the '£400,001 to £750,000' and 'over £750,000' bands were highest in July to September 2022 and April to June 2022 respectively, with lower values being seen in the following quarters.

Source: [LTT statistics by time period and residential transaction value on StatsWales](#)

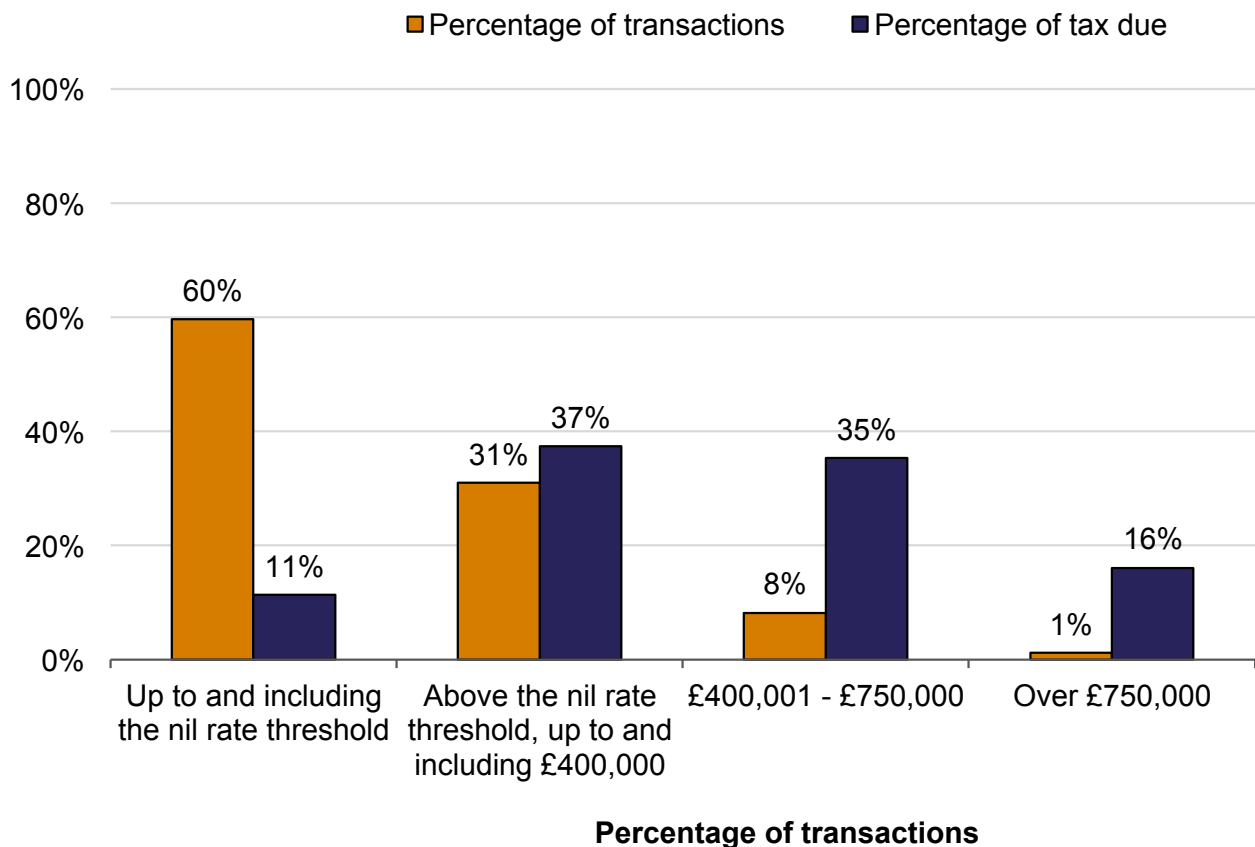
[p] Values for July to September 2023 are provisional and will be revised in a future publication.

[r] Values for April to June 2023 and earlier have been revised downwards in this publication. This is to account for refunds of the higher rates of residential tax being paid out.

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 4, 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 previous changes to LTT rates is presented in previous releases.

For the 'above the nil rate threshold up to and including £400,000' and 'Over £750,000' bands shown in Figure 5, the amounts of tax due in July to September 2022 were the highest quarterly values seen to date, with lower values being seen since. Similarly, the quarterly tax due in the '£400,001 to £750,000' band was highest in July to September 2022 and October to December 2022 with lower values being seen more recently. The previous increases in tax due are mainly driven by increases in the value of properties involved.

Figure 6: Percentage of residential transactions and tax due in each tax band, July to September 2023 [note 1] [provisional]



Description of Figure 6: The bar chart shows that in July to September 2023, residential transactions which were up to and including the nil rate threshold accounted for three fifths of all transactions and around a tenth of the total tax due. Meanwhile, the 1% of transactions which were over £750,000 accounted for 16% of the total tax due.

Source: [LTT statistics by time period and residential transaction value on](#)

StatsWales (includes data back to April 2018, not presented above)

Figure 6 shows that in July to September 2023, 60% of residential transactions were up to and including the nil rate threshold (defined below Figure 4).

Percentages for previous quarters varied between 45% and 71%. In July to September 2023, these transactions accounted for 11% of residential tax due. This is lower than the 22% seen in April to June 2018 (not shown in Figure 6), with generally a decreasing trend seen in the intervening five years.

In July to September 2023, the 1% of residential transactions with a value over £750,000 contributed 16% of residential tax due. For previous quarters, the percentage of transactions in this category was similarly small, while for residential tax due, the percentages have risen from the 4% seen in April to June 2018 (not shown in Figure 6).

The percentage of transactions with a value £400,001 to £750,000 generally rose in most quarters, from 3% in April to June 2018 to 8% in July to September 2023. Similarly the percentage of residential tax due contributed by these transactions generally rose from 24% in April to June 2018 to 35% in July to September 2023.

Non-residential transactions by value

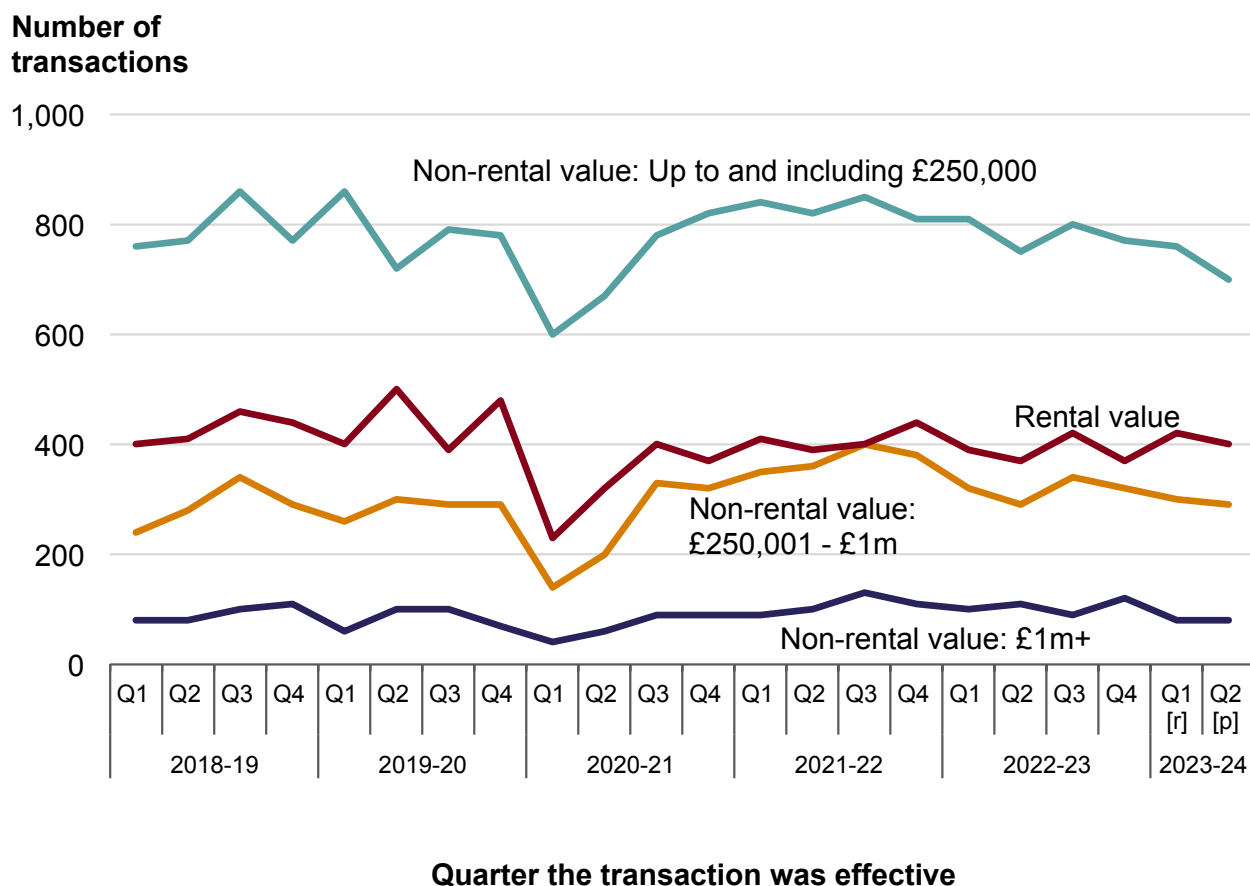
For each tax band, Figures 7 and 8 show the quarterly trends in the number of **non-residential transactions** and tax due. There are 4 tax bands for the non-rental value. We have combined the smallest 2 bands here to show results for properties with a non-rental value less than £250,000.

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Figure 7: Number of non-residential transactions, by value and quarter the transaction was effective



Description of Figure 7: The line chart shows that the number of non-residential transactions in the four bands presented fell substantially in April to June 2020. The numbers of transactions recovered in the following quarters while smaller fluctuations have been seen in the past three years.

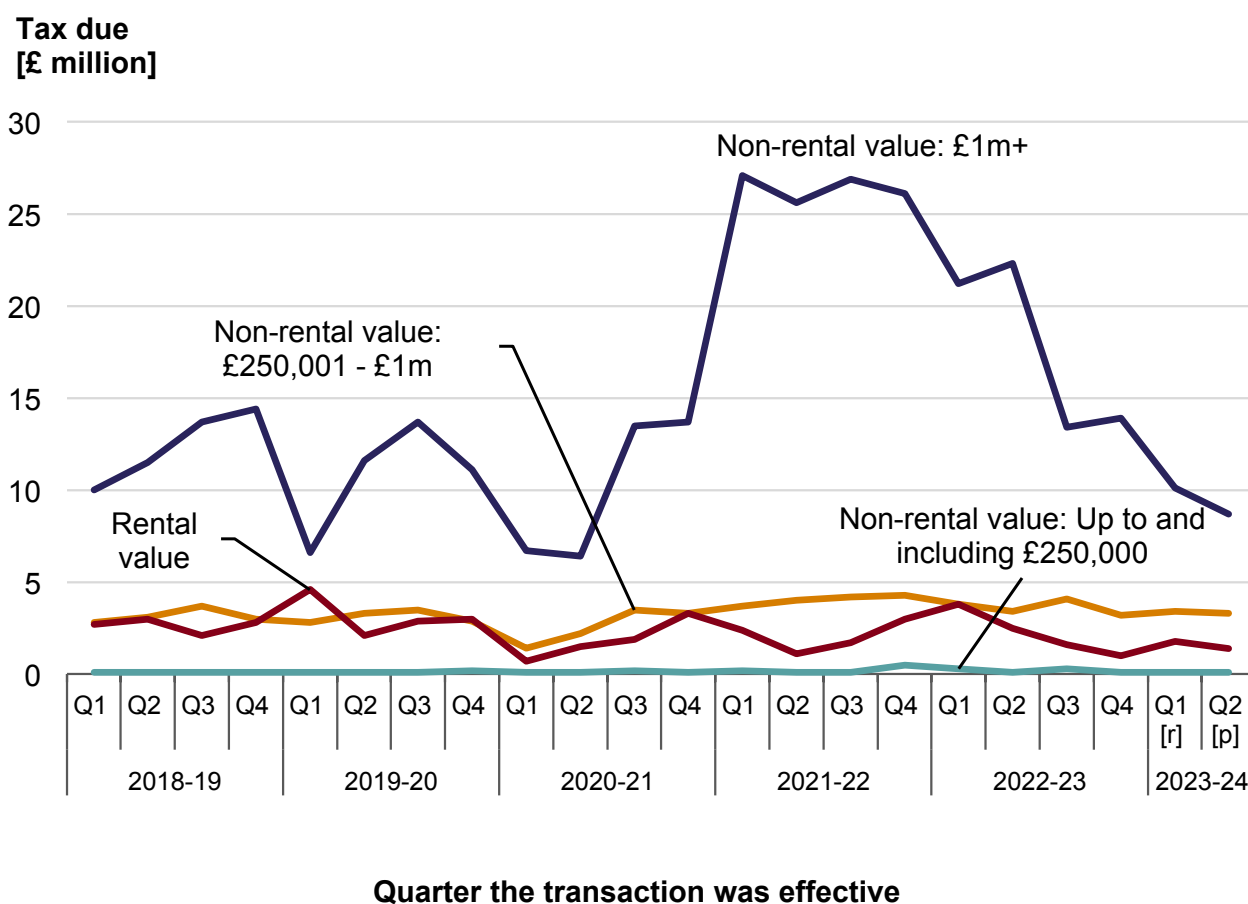
Source: [LTT statistics by time period and non-residential transaction value on StatsWales](#)

[Note 1] A small number of newly granted leases have both a premium paid and a rental value. Therefore these transactions are included twice in Figure 7, under both the non-rental value and the rental value.

[p] The values for July to September 2023 are provisional and will be revised in a future publication.

[r] The values for April to June 2023 have been revised in this publication.

Figure 8: Tax due on non-residential transactions, by value and quarter the transaction was effective [£ million]



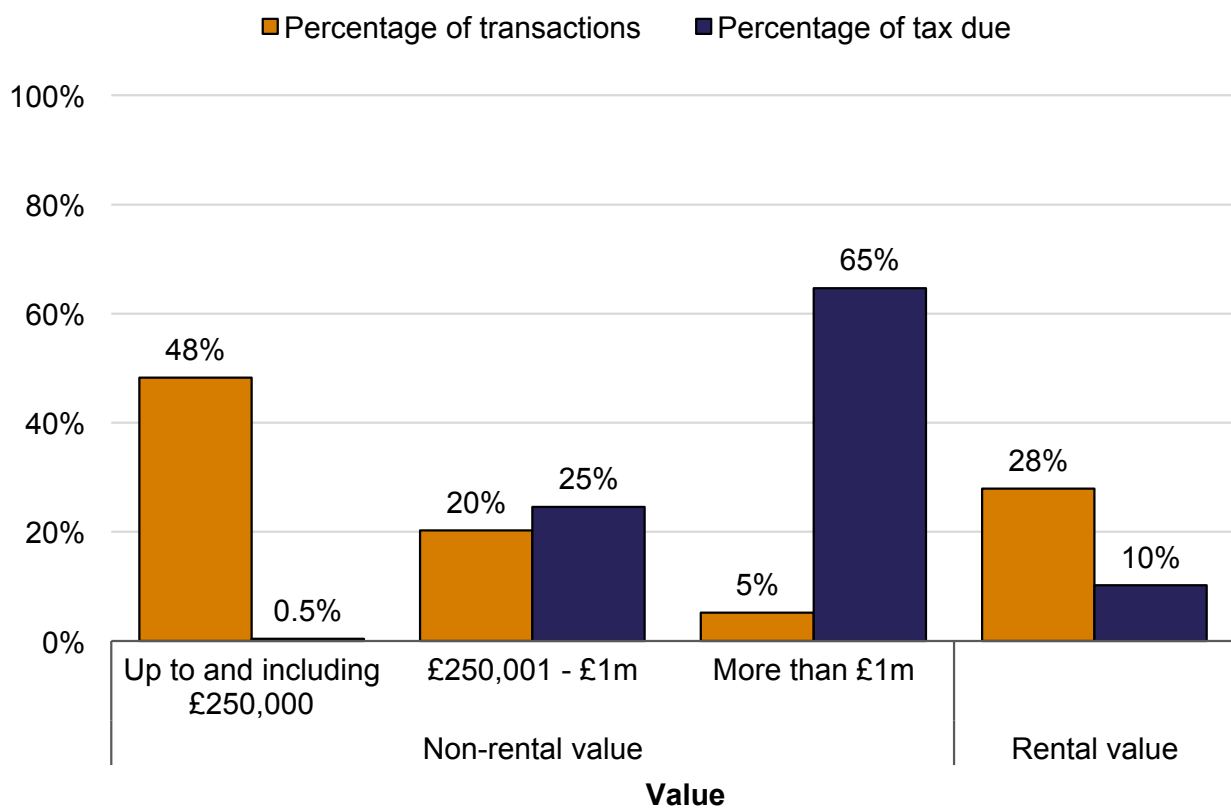
Description of Figure 8: The line chart shows that the quarterly tax due from non-rental value of properties over £1 million was considerably higher in the six quarters from April 2021 to September 2022, than in the four quarters since or the preceding quarters. For all quarters, the tax due from this category was considerably higher than the other two non-rental bands presented and the rental value.

Source: [LTT statistics by time period and non-residential transaction value on StatsWales](#)

[p] The values for July to September 2023 are provisional and will be revised in a future publication.

[r] The values for April to June 2023 have been revised in this publication.

Figure 9: Percentage of tax due on non-residential transactions in each value band, July to September 2023 [provisional]



Description of Figure 9: The bar chart shows that in July to September 2023, nearly half of non-residential transactions had a non-rental value of up to and including £250,000, with those transactions contributing less than 1% of non-residential tax due. The 5% of non-residential transactions with a non-rental value of more than £1 million contributed nearly two-thirds of tax due. Just over a quarter of non-residential transactions had a rental value associated with the transaction, contributing around a tenth of non-residential tax.

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

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Further data available

Various other data are not analysed in this release but we publish this data in the spreadsheet accompanying this release and on StatsWales.

Tax due on additional transactions which were untypically large or with restricted detail

Certain transactions have been excluded from the statistics reported in this release. This includes:

- untypically large transactions, which relates to the 2019-20 purchase by Transport for Wales of the Core Valley Line rail asset from Network Rail. £28.2 million of tax was due and paid on this transaction.
- a small number of low-value transactions where we are unable to provide any information other than the total tax figure in the year. This is because there is a risk of revealing details of the individual transactions.

Statistics on annual tax due for these transactions is published on StatsWales:

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

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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

Statistics on reliefs are published in the spreadsheet accompanying this release and on StatsWales:

[LTT statistics on reliefs impacting on tax by measure and transaction type on StatsWales](#)

Refunds of the higher rates of residential tax

When a taxpayer claims a **refund for higher rates residential LTT**, the original transaction is amended to a main rate residential LTT transaction. Refund statistics on a variety of bases are published in the spreadsheet accompanying this release and on StatsWales:

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

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

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

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Tax paid

We publish statistics on the amount of tax paid in the spreadsheet accompanying this release and on StatsWales:

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

Analysis of revisions to our published estimates

Our first estimates of transactions and tax due for a particular month are published as provisional estimates. In subsequent releases, we regularly revise those estimates and those for earlier months. The percentage changes we see between first and second estimates for a particular month are now relatively small. These percentages are shown in the [spreadsheet accompanying this release](#).

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Contact details

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