

Financial planning practice

R06: 2020–21 edition

Web update 1: 18 August 2020

Please note the following update to your copy of the **R06** study text:

Chapter 5, section D1E, page 5/9

The first bullet in the 'Be aware' box at the top of this page should be replaced with the following (amendment in **bold**):

- Since 1 April 2016, the majority of buy-to-let and second home purchases in excess of £40,000 have attracted an additional 3% stamp duty land tax (SDLT) surcharge. **Ordinarily, the impact of this on the purchase of a second property valued at, say, £275,000, is to increase the SDLT payable from £3,750 to £12,000. However, the temporary increase to the SDLT nil rate band to £500,000 also applies to additional properties, meaning that until 31 March 2021, the charge on a £275,000 additional property is reduced to £8,250. Scotland and Wales have also announced temporary cuts to their land and buildings transaction tax (LBTT) and land transaction tax (LTT), respectively.**