LBTT Instruction Letter to Client

For Residential Transactions

Ref [ ]

Date [ ]

[Name and Address]

Dear [ ]

Purchase of [ ]
Land and Buildings Transaction Tax

As advised [in our Terms of Business] all purchases are subject to Land and Buildings Transaction Tax (LBTT), based on the price paid for the property.

LBTT Return form

Before your title to the property can be registered, to complete your ownership (and, where applicable, completion of the mortgage document in favour of your lenders), an LBTT Return has to be submitted to Revenue Scotland, and arrangements have to be made for immediate payment of the LBTT to them.

We will deal with the completion and submission of the required form on your behalf. Accordingly, we enclose the relevant LBTT Return for your attention, and approval.

We have completed the LBTT Return as far as possible from the information held by us already.

Your approval of the LBTT Return

Please confirm that the information in the LBTT Return is, to the best of your knowledge, correct and complete. If anything does need to be altered, you must let us know immediately.

Please also confirm that you are happy for us to submit the LBTT Return to Revenue Scotland on your behalf.

National Insurance Number

The only item of information we need from you is a note of your National Insurance Number. Please call or email us with that as soon as possible.

Ownership of any other dwelling

For the avoidance of doubt, we have prepared the LBTT Return on the basis that you do not already own or have any interest in another dwelling, either in the UK or anywhere else, or that you will have ceased to own, or have such an interest by the time of completion of the purchase. This includes any dwelling which you own individually or jointly with another connected person (e.g. a spouse, child or cohabitee). Please confirm that this is correct, or, if our understanding is incorrect, you must inform us as a matter of urgency.

Other points for you to note

There are a number of other points which we require to highlight for you as a formality:

1 We must emphasise that the LBTT Return form is a **tax return**. This means that there are penalties for failing to complete the return, or for submitting it late, or for submitting incorrect returns.

In addition, Revenue Scotland require you to keep a copy of the return for up to 5 years from the transaction and can inquire into returns generally for up to 3 years after the filing date. They can also demand access to "relevant documents" such as our file or related papers. However, in effect these requirements are no different from any other tax return provision.

2 We will use our knowledge of the transaction to complete the form as far as we can reasonably do so but this will be in our capacity as agents only. Final responsibility will remain with you as taxpayer.

3 The submission of the completed LBTT Return form to Revenue Scotland will be carried out by us using their on-line system, to ensure the prompt completion of this process. The paper form sent to you is for approval/information only at this stage.

We look forward to hearing from you with the information and confirmations requested. In the meantime, if there is any point you wish to discuss, please do not hesitate to get in touch.

Yours faithfully

Enc.