

Stamp duty land tax Practitioners' News (formerly Newsletter Issue 17 – March 2007

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2d bar-coded SDLT1 Return failures

Since the introduction of 2d bar-coded SDLT Returns, we have been manually keying forms that fail to scan, to avoid delays in sending out certificates. But the numbers of 2d barcode scanning failures are growing. Approximately 3,000 – 4,000 each month are now manually keyed – creating more delays and using precious resources that could be better diverted elsewhere.

From **1 June 2007** we will start sending incomplete or incorrect returns back to customers - where possible, with an explanation as to why the form did not scan. A replacement form will then need to be re-submitted.

We appreciate this will cause some practitioners more work in the short term. However it will give us the opportunity to explain to agents - who at present are largely unaware that their forms are failing to scan - where the problems lie. This will help them get their forms right first time in future, which will be mutually beneficial.

So that customers are prepared for the change in approach (which has been agreed in consultation with the Law Society and other representative bodies) we will send a letter to those for whom we key a return from 19 March to 31 May 2007, explaining that the service will be withdrawn from 1 June.

If practitioners fail to send a replacement return back within the 30 day time limit, their client will be liable for a penalty. To avoid that happening, we undertake to return the incorrectly completed form immediately, and to warn the practitioner of this possibility.

To avoid having 2d bar-coded forms returned, make sure you haven't made a common error.

The most common reasons that forms fail to scan:

- a manual amendment or entry to a one of the [minimum information required questions](#) on the SDLT1 - these are not captured in the barcode
- a 'mix & match' of pages, some containing the barcode and some that do not
- Agent's copy sent in error
- the printer's ink supply is incorrectly balanced, causing the barcode to become corrupted and unreadable
- the printer is not set properly for this application (some forms print with a wide black margin which prevent them from being scanned)

The first, second and third bullets are user error. Any alteration made after the form is printed is not captured within the barcode. All pages in the form must contain the same bar -code.

For the fourth and fifth bullets, the printer/display settings may need to be adjusted.

See also [Frequently Asked Questions](#).

Question 59 on the SDLT1 Return– Authorising agent to handle correspondence

Stamp Taxes Helpline can only speak to agents about queries on returns if Question 59 on the SDLT 1 return is answered 'Yes'. If it is marked 'No' the purchaser must contact

the Helpline personally, to advise them that they can speak to the agent. Our records will then be amended.

SDLT correspondence

All correspondence about SDLT transactions must be sent to [Birmingham Stamp Office](#).

No correspondence should be sent to the Rapid Data Capture Centre at Netherton. This is simply a processing facility and any correspondence sent there will be delayed whilst it is re-routed to Birmingham.

Schedules

There are two types of transaction for which you need to submit schedules:

1) Multiple Property schedules

We offer special arrangements for customers making multiple acquisitions of property, i.e. situations where 6 or more land transactions take place on the same day between the same purchaser and vendor. Please contact the [Stamp Taxes Helpline](#) before the land transaction return is prepared.

They will provide initial advice and may refer you to our [Complex Transactions Unit \(CTU\)](#), in Manchester if necessary.

CTU may suggest that the information is sent in schedule format, rather than on multiple SDLT3s or SDLT4s. If so, CTU will email you with the relevant schedule - the precise form of which will depend on the nature of the interests being acquired and how they should be coded.

Further information is available in the [SDLT Manual](#).

2) Schedules for under/sub leases

These should be sent to the SDLT Processing Centre in Netherton, who will forward them to the Valuation Office Agency, by whom they are required. The Unique Transaction Reference Number (UTRN) and Local Authority code should be put on any schedules or plans you send. [More details](#).

General Feedback

We now have a regular customer feedback section in Practitioners' News and, in this issue, we would like to canvass your views on the 'top five' developments you'd like to see on our [Internet site](#). Your comments will be taken into account as we plan future improvements.

Mark Appleby at msd.stampscondoc@ir.gsi.gov.uk will be pleased to hear from you.

Stamp Taxes Online: Internet pages updated

Links on the left-hand side of the screen are now more 'online service' specific. The [content of the 'online' pages](#) has also been reviewed and re-structured. [More details](#).

Paper copies of online filed returns

You **must not** send paper copies of SDLT Returns submitted online, as this increases the risk that they will be processed twice. If you do so, it is almost certain that you (and the purchaser) will receive a request for payment - because there will only have been one payment made, for the original online transaction.

This applies whether you are using HMRC software or third party products.

Stamp Taxes Online service: practical advice for practitioners

The following links provide guidance on how you should electronically file clients' returns - particularly when:

- you do not know the effective date of the transaction;
- there is a requirement for a client signature on (what would effectively be) an incomplete return – where everything is completed except 'the effective date'.

Guidance covering the practicalities of filing a client's return:

[How to deal with the purchaser's signature.](#)

[How to complete & file your return online.](#)

[What to do if you need to amend a return already filed online.](#)

[Where to send schedules or maps.](#)

[Stamp Taxes Online: Frequently Asked Questions](#)

[Registration process: Guidance](#)

Stamp Taxes Online: feedback

We would like to thank everyone who provides comments through the Stamp Taxes Online feedback page. This is extremely useful and is reviewed and collated regularly. We work closely with the Law Societies, stakeholders, governing bodies and representatives from the legal/conveyancing profession, who tell us that online filers are positive about the online experience and believe that HM Revenue & Customs do take their comments on board. You will have seen some positive changes that we have made as a result of it.

The feedback process is anonymous and can be used to share your views on the online experience. All comments received are appreciated and all ideas considered. So why not help us to help you, tell us what you think.

Please don't use the feedback process if you are having technical difficulties. You should telephone the Online Services Helpdesk on **0845 60 55 999** who will be able to help you with any online problem.

Stamp Taxes Online: paying SDLT efficiently

Electronic payment

We accept payment by a range of methods but **recommend** payment is made electronically. Electronic payments are generally more efficient and secure than payment by post. You can pay by [BACS Direct Credit, Internet or Telephone banking, CHAPS](#) or by [Debit Card over the Internet](#). We can also accept payment by [Bank Giro](#) or at the [Post Office](#).

Interest is payable if payment is not received within 30 days of the effective date.

Payment by Cheque

Cheque payments should be sent to the SDLT Processing Centre in Netherton. (This also applies to any schedules and /or maps.)

1) If you are using a third party product that requires you to enter a **reference number (UTRN) from a book of SDLT payslips with pre assigned UTRNs**, then:

- Make your cheque payable to '**HM Revenue & Customs Only**' followed by the reference number shown on your land transaction return payslip.
- Complete each payslip to show the amount you are paying (books of payslips are supplied separately for customers who use third party software).
- Do not fold the cheque or fasten it in any manner (e.g. paper clips or staples) to the Return or payslip.
- Send your cheque and payslip with your land transaction return, by post to:

HMRC SDLT
Netherton
Merseyside
L30 4RN , or

Use the DX service to deliver the cheque, payslip and return to:

HMRC SDLT
Rapid Data Capture Centre
DX725593
Bootle 9

When sending your payment you should be confident that it will arrive in time.

For interest purposes, we will treat your payment as being received on the day we receive your cheque. If we receive it on a day that the office is closed, we will treat it as being received on the first day the office was closed. For example, a cheque received on a Monday will be treated as having been received on the Saturday before.

2) If you are using the Stamp Taxes Online service or a third party product which generates the UTRN from the application itself, then:

- Make your cheque payable to 'HM Revenue & Customs Only'
- Write the reference number (UTRN) (which begins with a 5) after 'HM Revenue & Customs Only'
- If there is more than one UTRN, write them all on the back of the cheque, **with the corresponding amount** for each one.

In these circumstances a payslip is not required.

Send the cheque to:

HMRC Stamp Taxes
Comben House
Farriers Way
Netherton
Merseyside
L30 4RN, or

Use the DX service to deliver the cheque and return to:

HMRC SDLT
Rapid Data Capture
DX: 725593
Bootle 9

3) Please send any necessary schedules and /or maps, endorsed with the correct UTRN' & 'Local Authority Number to:

HMRC (Stamp Taxes)
Comben House
Farriers Way
Netherton
L30 4RN

DX address:
Rapid Data Capture Centre
DX: 725593
Bootle 9

[SDLT Online: Accessing Local Authority Numbers and SDLT calculators](#)

Local Authority (LA) details

An alphabetical list of LA numbers opens in a separate browser window when you select the help icon '?' after each of the three LA questions in the return;

- Q26 SDLT 1
- Q2 SDLT 2
- Q12 SDLT 4

You have to manually key-in the LA number, because the application won't pre-populate the field by selecting it from the list.

- [Screen shot showing how to enter a Local Authority number \(PDF 149K\)](#)

Stamp Taxes calculator and SDLT lease transactions calculator

A link to both calculators is provided within the question mark icon (help icon) at question 1.23. You do not have to leave the application to access the calculators on our website.

We are hoping to provide you with a more obvious link to the calculators, as part of our June 2007 enhancement to the Stamp Taxes Online service. This should display a 'Calculate' button at Lease Duty Net Present Value (NPV) questions (1.23 & 4.25). Once selected, it will take you to our calculators page.

Meeting with Commercial Case Management Software Developers: 18 December 2006

This event was successful and very useful. Those attending gave an overview of their:

- businesses
- application; and
- market

The introduction of the SDLT online certificate was deemed to be a major success - and a big selling point for online filing.

Third Party software suppliers were pleased to be given an insight into future Stamp Taxes IT enhancements and other possible changes. The group worked collaboratively to reach agreements on the way forward. Stamp Taxes have agreed to assist the vendor community in understanding the more complex requirements of SDLT.

Registers of Scotland (RoS) and HM Land Registry both gave overviews on how their automated land registration projects were proceeding. This was well received and the software suppliers present appreciated learning about future developments.

New rates of interest on stamp taxes paid late and overpaid

We would like to clarify what we said in [PN 16](#) about interest rates.

From 6 September 2006, an interest rate of **7.5 per cent** will apply to any SDLT paid late by customers. This rate will also apply to any stamp duty or stamp duty reserve tax paid late (from 1 October 1999).

Also from 6 September 2006, the rate of interest on SDLT overpaid was changed to **3 per cent (not 7.5 per cent, as referred to in PN16.)** This rate will also apply to any stamp duty or stamp duty reserve tax repayment from 1 October 1999.

From 6 September 2006, the interest rate for stamp duty reserve tax paid late or overpaid (to 30 September 1999) was amended to **5.75 per cent**. [More details](#).

Previous issues of the SDLT Practitioners' Newsletter

Information in earlier Practitioners' Newsletters was current at the time of publication but may become outdated or incorrect with the passage of time. Such material should not be relied on as a permanent source of guidance.

We do not retain hard copies of previous issues, but they are all available [on this website](#).

Quick Links

[Stamp Taxes 'Welcome' page](#).