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Stamp duty land tax Practitioners' News Issue 20 – February 2008

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The number for the [priority fax service](#) (used when we cannot trace original returns) has changed.

Stamp Taxes Helpline

Between midday – 2pm has been identified as the quietest period for receipt of calls by the Stamp Taxes Helpline.

Stamp Taxes Reorganisation

As part of our drive to improve customer service, we are continuing to centralise most of our work in [Birmingham Stamp Office](#).

Previous issues of the SDLT Practitioners' Newsletter

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Stamp Taxes Online

New enhancements

Filing online is quick, easy and convenient. If you submit a return online, you can print off a substitute Land Transaction Certificate (Form SDLT 5) as soon as the return has been successfully processed. You can then send it to the appropriate land registry to register the change of ownership immediately, saving both time and money.

We continually upgrade the Stamp Taxes Online Service. At the end of October 2007 the following enhancements were made:

- **Changing the text on the SDLT 5 certificate, to make it easier to identify**
We have amended the Submission Receipt title to: 'Submission Receipt & Electronic SDLT 5 Certificate'. Certificates should be sent to the Land Registries in the normal way.
- **Removing question 58 'To which address shall we send the certificate'**
This question is no longer required - because we no longer issue paper certificates for online transactions. The option 'Property' will still be populated on printed pdf copies of online returns – but this simply ensures that the transaction passes all validation checks. A certificate will **not** be sent to the property address through the post.
- **Allowing acceptance of up to 56 characters for surnames/company names on the return**
We know that, for most customers, 28 characters will be enough. If more than 56 characters are needed, some abbreviation may be necessary.

Stamp Taxes' online SDLT 5 certificate will show up to 56 characters **but** if you request a **paper** SDLT 5 certificate this will only show the first 35. When the PDF version is printed it only shows 28 characters, but the HTML version shows the full 56.

- **Zero Carbon Relief (ZCR) - Code 30 introduced**
SDLT relief for zero-carbon homes was introduced from 1 October 2007. All qualifying houses under £500,000 are exempt and houses over £500,000 will have their SDLT bill reduced by £15,000.

To claim ZCR, use Code 30. To do this from Stamp Taxes Online:

- use the drop down menu at question 9.2 in the section 'About the Transaction'
- Select Zero Carbon Relief.

The system will pre-populate Code 30 in question 9.2 on the printed return. Stamp Taxes Online will calculate tax due, whether it is fully exempt or a consideration over £500,000.

[More information about the relief](#)

Printing and submitting the SDLT5 certificate

Please remember – it is the **online certificate** that should be printed-off and sent to the appropriate land registry – **not** the ‘successful submission’ e mail message.
(See [PN 19](#))

Stamp Taxes Online certificates are deleted from the system after 30 days.

Local Authorities and government departments can now register

In the past, a small minority of customers, including Local Authorities and government departments, couldn't register for the online service. This is because they didn't have a 'unique identifier', which is vital for HMRC's stringent online security recognition.

Unique identifiers can be:

- Self Assessment Unique Taxpayer Reference Number (SA UTR)
- Companies House Registration Number
- Self Assessment Partnership Number

We have now found an IT solution that enables Local Authorities and government departments to register for the online service. We are contacting these organisations to invite them to do so. By now, they should all have received a letter explaining the solution in full, and been asked to complete a short questionnaire.

County or District councils that wish to register and haven't heard from us by the end of February 2008 should contact [Rachel Varndell](#).

Many government and local council transactions involve multiple properties, due to compulsory purchases. At present, our online system can't cater for transactions of over 100 properties – but see there is a new process for transactions that exceed this limit. See below.

Transactions with more than 100 properties

The online service can accept transactions up to 100 properties. We want to extend this, but know that an IT solution is at least 12 months away. In the meantime, we're introducing a new process which we hope will encourage even more people to use online filing.

Currently, if transactions have more than 99 properties, paper returns must be sent to Birmingham Stamp Office, where hand-written certificates are produced for practitioners to submit for registration purposes. The new process will still have a manual element, but should make life easier.

From **1st February 2008** the process will be:

- **Complete the online return for the first 99 properties**
- Submit a schedule to Birmingham Stamp Office, for **only** the properties that **exceed 99**.

There is no 'template' for this schedule. You should simply ensure that all the relevant information is given (see below).

For example:

- If the transaction includes 150 properties, the schedule submitted to Birmingham should include the **last 51** properties and the remaining 99 should be filed online.
- Birmingham will save the schedule and allocate a reference number in SDLTMP-99999999 format. They will keep a record of the reference number and e mail this to you, with the agent reference.
- Complete the return online and enter the allocated reference number in the 'Property Address' field, at the end of the address details for the first property.
- **Add the remaining 98 properties not included in the schedule** and submit the return.
- Send the online certificate(s) and/or the 98 PDFs (if appropriate to the online product being used) together with a copy of the schedule to the appropriate land registry. The reference number allocated by Birmingham will appear on the certificate, under the first property address.

Information required on the schedule for each property is:

- Property Address
- Title Number
- NLPG UPRN

The schedule must also include

- First Purchaser Name
- Description of Transaction
- Effective Date
- Agents Reference

Before the schedule is passed onto the appropriate land registry, you should add:

- Reference Number issued by Birmingham
- UTRN

How to set up 'Users' and 'Assistants'

Once you have activated your registration you can set up additional users and assistants. See ['How do I set up users and assistants for Stamp Taxes Online?'](#)

Adding 'Company Details' to an HMRC return

How to access the company details, using the HMRC product:

- Select 'Start a new return '
- Select 'Yes' at 'Is Purchaser 1 a Company?'
- Complete the purchaser details

- Select 'Provide company details' (There's a button on the left hand corner of the 'About the Purchaser' overview page, above the company name.) The SDLT4 questions will be shown.

Multiple properties

The electronic SDLT5 certificate will only show the first property address for any transaction. If there are multiple addresses, PDF copies of any SDLT3s or 4s should be attached and sent to the appropriate land registry. (See also [Issue 13](#))

What to do if you don't activate your registration within 28 days

If you register for Stamp Taxes Online but don't activate your registration within 28 days, both the registration and the service will be 'locked' - and all in-progress returns will be lost. If you try to re-enrol you'll get a message saying you are already enrolled. This 'locking' simply means that our security process has worked correctly. It recognises credentials used previously and doesn't allow them to be used again.

If this happens to you, please contact the [Online Services Helpdesk](#) (OSH) and ask them to reset the service. (You won't be able to do anything more until then.) Once done, OSH will call you and advise you what to do next.

Shared equity lease transactions

We can confirm that these **can** be filed online. (Some practitioners told us that [SDLTM27080 – Reliefs: Right to buy transactions, shared ownership leases etc](#) was confusing, as it appeared to indicate that you should submit paper returns for shared equity lease transactions when a premium is paid and/or a taxable amount is due.)

To file online you must use code OT in question 3 'Interest transferred or created' (which gives you the self assessment screen.) We have amended this page of the Manual to make this clearer.

Other Issues

SDLT6 Guidance Notes: how to use the new HTML version

Navigation Help

Contents:

The contents list can now be found in the left hand navigation bar. (Split into 13 topics)

Left Hand Navigation bar:

Each menu heading hyperlinks to specific guidance on that topic.

The first seven headings give general guidance on how to complete the SDLT1.

Each topic breaks down further, giving detailed guidance on how to complete that particular section.

For example:

- 'Your land transaction return' - takes you to guidance notes, breaking the topic down into 5 more sections.
- Local Authority codes - gives you an A-Z of local authority codes to complete Q29 in the SDLT1.
- Glossary and further guidance – links to Glossary of terms and further guidance
- Frequently used SDLT forms – links to more information about SDLT forms.
- Other useful links - to other web sites.

SDLT6 updates:

Gives changes to the online SDLT6 guidance notes.

Filling in the forms:

When you select this topic, the screen will open at the title page. The contents page in the left hand navigation bar changes, relevant to the questions to be completed in the SDLT1, split into 13 topics. **You can navigate to any subject through the left hand navigation bar at anytime.**

Guidance

This gives guidance on 'Completing the forms for automatic processing.'

The following 12 topics are the notes on the questions in the SDLT1:

1. Transaction (About the transaction)

Q1 to Q8

2. Tax Calculation

Q9 to Q15

3. Additional details involving leases

4. Land

Q26 to Q33

5. Vendor

Q34 to Q44

6. Additional vendor

Q45 to Q48

7. Purchaser

Q49 to Q64

8. Additional purchaser

Q65 to Q69

9. Supplementary forms (Additional supplementary forms)

Q70

10. Declaration

Q71

11. Additional details for certain transactions (SDLT4)

Q1 to Q9

12. Additional details for cases involving leases (SDLT4)

Q10 to Q39.

CHAPS Payments

If you deal with more than 10 transactions per week, you can now make one CHAPS payment covering multiple transactions. If you would like to do this, please email aos.directpayments@hmrc.gsi.gov.uk quoting "Composite CHAPS Payment Request" in the subject line of the e-mail and on receipt of the email - an information pack will be dispatched.

Interest on late paid SDLT

When SDLT is paid late, interest is charged. We let customers know by issuing an SDLT12, which lists any outstanding tax, interest or penalties. Where the statement includes a large amount of late paid tax, a second SDLT12 is issued. This charges further interest from the date of the **previous** SDLT12 up to the date of actual payment.

We realise that this means you have to go back to your clients and ask them for an additional sum – but we don't expect the calculation (of the extra interest from the date of the SDLT12, to the probable date of receipt of their payment) to be too difficult.

[Current interest rates.](#)

We will consider amending form SDLT12 to make it clear that this further calculation will be carried out. If we were to change the process it would either mean having the unacceptable situation where we were not charging interest that is correctly due, or charging an extra 30 days interest to allow for the payment to reach us - which could lead to requests for repayment.

Priority Faxes

The priority fax service, previously operated in Newcastle Stamp Office has now been transferred to our office in Birmingham. The new fax number is 0121 616 4536.

Please note: This service will be de-commissioned as of Monday 31 March 2008.

Stamp Taxes Helpline

Between midday – 2pm has been identified as the quietest period for receipt of calls by the Stamp Taxes Helpline, therefore this is the period when practitioners would stand the best chance of avoiding being held in a queue or receiving a 'busy' message.

Stamp Taxes Reorganisation

We are continuing to concentrate our work in fewer locations in 2007-2008, centralising in Birmingham. By doing this, we aim to provide a faster, more efficient service.

All work from our offices in London, Manchester, Belfast, Newcastle and Worthing has already moved to our Birmingham office.

Remaining Stamp Offices

Bristol Stamp Office's remaining work is due to move to Birmingham by the end of February 2008.

Edinburgh Stamp office is being retained, to provide specific services required by Scottish Law.

Postal contact

To help us deal with transactions faster and more efficiently, all postal contact should be made through [Birmingham Stamp Office](#). To ensure their post is sorted promptly and is quickly referred to the relevant team, it would be extremely helpful if you could mark correspondence with:

- [the topic](#); and
- reference numbers

Previous issues of the SDLT Practitioners' Newsletter

Information in Practitioners' Newsletters is current at the time of publication but can become out of date with the passage of time. Such material should not be relied on as a permanent source of guidance. For the latest information please refer to the relevant [SDLT Manual](#) or the [SDLT 6 \(PDF 284K\)](#).

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

Quick Links

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