



HM Revenue & Customs

Ms Melissa Shirley

By email:

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Freedom of Information Team

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Our ref: FOI2018/02696

Dear Ms Shirley

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 7 December, for the following information:

"If you could clarify the following:

1. If the tax charged on property is the same as how tax is charged on other items of sale such as food items?
2. If a property is purchased, is the tax charged with the sale/purchase of property?
3. Is property tax something that is repeatedly paid to the council each year?
4. Under what circumstances does the valuation office agency value the tax charge on property?
5. How many times does property tax need to be paid?"

Information answering your query is already in the public domain. The relevant HMRC guidance has been identified and referred to below:

1. In the event of a property being purchased, Stamp Duty Land Tax (SDLT) may be chargeable. This is a self-assessed tax that the lead purchaser is liable to pay, and is due no later than 30 days after completion of the transaction. SDLT guidance can be found at <https://www.gov.uk/stamp-duty-land-tax> and <https://www.gov.uk/money/stamp-taxes>
2. The seller of a property may be subject to Capital Gains Tax (CGT), which is a tax charged on the increase of the value of the property since they purchased it. Where CGT is due, the seller usually returns it as part of their self-assessment return at the end of the tax year. Guidance regarding CGT can be found at <https://www.gov.uk/capital-gains-tax>
3. Council Tax is a monthly/annual charge that is paid by the owner of a property to the council for the services it provides. The amount of council tax that is paid is based on the value/location of the property. more information can be found at <https://www.gov.uk/council-tax>
4. The Valuation Office Agency (VOA) may become involved with a transaction of property if there is a disagreement between the amounts of tax that a customer has paid. They don't value the tax charge but would be involved in independently valuing the property to make sure the right amount of tax has been paid.

5. Additional tax may be due if you earn income from any property you own, such as rental income. More guidance on this can be found at <https://www.gov.uk/guidance/income-tax-when-you-rent-out-a-property-working-out-your-rental-income>

If you are not satisfied with this reply you may request a review within two months by emailing foi.review@hmrc.gsi.gov.uk, or by writing to the address at the top right-hand side of this letter.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#)

Yours sincerely,

Freedom of Information Team