



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT

BY

THE WELSH GOVERNMENT

TITLE Land Transaction Tax Multiple-Dwellings Relief

DATE 14 January 2025

BY Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language

Today I have laid the draft Land Transaction Tax (Modification of Relief for Acquisitions Involving Multiple Dwellings) (Wales) Regulations 2025 before the Senedd. Subject to Senedd approval, the Regulations will amend some of the rules governing land transaction tax (LTT) reliefs.

[Explanatory Memorandum to The Land Transaction Tax \(Modification of Relief for Acquisitions Involving Multiple Dwellings\) \(Wales\) Regulations 2025](#)

[The Land Transaction Tax \(Modification of Relief for Acquisitions Involving Multiple Dwellings\) \(Wales\) Regulations 2025](#)

The new regulations will amend rules governing the combined use of LTT multiple-dwellings relief (MDR) and the subsidiary dwelling exception (SDE). Until now, taxpayers have been able to choose to make a claim to MDR in relation to all multiple-dwelling transactions. The new regulations will discontinue the possibility of claiming MDR in relation to transactions which are subject to the main residential rates because of the application of the SDE.

These amendments are in line with our key tax principles underpinning our devolved taxes, to raise revenue to fund public services as fairly as possible, deliver our policy objectives, be clear, stable and simple, be developed through collaboration and involvement and contribute to the Well Being of Future Generations Act goal of creating a more equal Wales.

In setting out the intended rule change, this statement provides an update on the Welsh Government's response to the public consultation on LTT reliefs which was conducted between 8 April and 19 May 2024. An initial response was published on 17 July 2024.

As I have set out in the Explanatory Memorandum published today to accompany the draft statutory instrument, the rule changes proposed today are estimated to increase LTT revenues by between £1 million and £2 million per year. This will partly offset the cost of providing MDR (on average around £10million each year since 2018). Further work will be carried out to consider MDR relief within the LTT regime over the coming year, reflecting on the benefits of MDR as a policy lever alongside its impact on LTT revenues.