



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE **The Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (Amendments to Schedule 5) Regulations 2026**

DATE **20 January 2026**

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

Draft regulations have been laid today to make changes to the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017.

The Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017 (Amendments to Schedule 5) Regulations 2026 provide a new refund for transactions that are subject to the higher residential rates of land transaction tax (“HRRLTT”). The new HRRLTT refund will apply where a person buys a dwelling costing £400,000 or less that is liable to HRRLTT and then leases it to a Welsh local authority, within 18 months of that purchase, and the lease meets the conditions in the regulations.

The refund is intended to incentivise the leasing of properties to Welsh local authorities under Leasing Scheme Wales (“LSW”), a Welsh Government scheme which contributes towards the delivery of homes at affordable rents. This will help tackle the impact of homelessness and the use of temporary accommodation.

I look forward to the debate on the regulations on the 10 February 2026.

[**The Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(Amendments to Schedule 5\) Regulations 2026**](#)

[**Explanatory Memorandum to the Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(Amendments to Schedule 5\) Regulations 2026**](#)