

Land Transactions Tax - submission

Dear Sir/Madam

My observations on the proposals are as follows :-

The distinction between a Commercial Property and a Residential property must be clear as there can be grey areas.

For example is a lodging house a residential or commercial property. From a bank perspective it is treated as a commercial property, and most often purchased as an investment, but by ownership of the shares the owner could occupy one or several of the units in the property. The property is however residential in its usage.

Similarly Hotels and Guest Houses are residential in their usage, and owners do not need to live in but ownership gives them the right to do so if they wish.

How also would you treat mixed residential/commercial properties i.e. shop with storage on 2 or 3 floors with A-H controlled flat/bedsit on top floor, or perhaps the reverse a flat on 2 floors and a very small shop on ground floor. What is the principal usage, commercial or residential, and can you alter status of property by introducing a very small commercial element, i.e. tearoom in back garden or operating your business from home Dress-making?

Hope my observations are useful.

Yours faithfully

G R G Mayger.