

Financial planning practice

R06 2024–25 edition

Web update 2: 7 March 2025

From 1 April 2025, the stamp duty land tax (SDLT) nil rate threshold will revert from £250,000 to £125,000, and the rate of 2% will apply to the slice of purchase price from £125,000 to £250,000.

The nil rate threshold for first-time buyers will reduce from £425,000 to £300,000 and the 5% threshold will reduce from £625,000 to £500,000. If the price is over £500,000, you cannot claim the first-time buyers' relief.

Home movers' SDLT			First-time buyers' SDLT		
Threshold until 31 March 2025	Threshold from 1 April 2025	Rate	Threshold until 31 March 2025	Threshold from 1 April 2025	Rate
Up to £250,000	Up to £125,000	0%	Up to £425,000	Up to £300,000	0%
N/A	£125,001 to £250,000	2%	£425,001 to £625,000*	£300,001 to £500,000*	5%
£250,001 to £925,000	£250,001 to £925,000	5%			
£925,001 to £1.5m	£925,001 to £1.5m	10%			
Over £1.5m	Over £1.5m	12%			

* If the price is over £625,000/£500,000, you cannot claim the first-time buyers' relief.

Additional residential properties' SDLT				
Thresholds until 31 March 2025			Thresholds from 1 April 2025	
Slice of property value until 31 Mar. 2025	Rate until 30 Oct. 2024	Rate from 31 Oct. 2024 to 31 Mar. 2025	Slice of property value from 1 Apr. 2025	Rate from 1 Apr. 2025
Up to £250,000	3%*	5%*	Up to £125,000	5%*
£250,001 to £925,000	8%	10%	£125,001 to £250,000	7%
£925,001 to £1.5m	13%	15%	£250,001 to £925,000	10%
Over £1.5m	15%	17%	£925,001 to £1.5m	15%
			Over £1.5m	17%

* The rates apply when residential property is purchased for £40,000 or more. Property values between £0 and £40,000 are taxed at 0%.

Therefore, the following content should be updated as noted in **bold**.

Chapter 5, section D1E, page 5/9:

- The majority of BTL and second home purchases in excess of £40,000 attract a surcharge of an **additional 5% SDLT (or 3% up to 30 October 2024)**. The impact of this on the purchase of a second property valued at, say, £275,000 **on 1 April 2025**, is to increase the SDLT payable from **£3,750 to £17,500**.

Notes

- Any change related to the SDLT will be examined from 1 April 2025.
- This update has been incorporated into the digital copy of the study text, available on RevisionMate.