

STAMP DUTY LAND TAX IN THE UK

Prior to 1st April 2025

The below table shows stamp duty rates for main residences in England:

Proportion of property value	Rate for main residence
Up to £250,000	0%
£250,001 to £925,000	5%
£925,001 to £1.5 million	10%
Over £1.5 million	12%

**The figures are based on a standard residential purchase of a freehold property, which is to be a main residence for an UK resident.*

After 1st April 2025

The below table shows stamp duty rates for main residences in England:

Proportion of property value	Rate for main residence
Up to £125,000	0%
£125,001 to £250,000	2%
£250,001 to £925,000	5%
£925,001 to £1.5 million	10%
Over £1.5 million	12%

How will the stamp duty changes affect first-time buyers? (correct prior to April 2025)

These stamp duty changes are likely to have the most impact on first-time buyers. By reducing the nil rate threshold by £125,000 and reducing the maximum purchase price for which first-time buyers' relief can be claimed by the same amount, it could make it even harder for some first-time buyers to get onto the property ladder.

From 1st April 2025, first-time buyers won't pay stamp duty on properties up to only £300,000, and they'll only get first-time buyers' relief on properties up to £500,000 (5% on properties £300,000 to £500,000).

Whereas, currently, if you're a first-time buyer you don't pay any tax on properties up to £425,000, and if the cost of the property you're buying is up to £625,000 you're also eligible for discounted rates (5% on properties from £425,001 to £625,000).

Prior to 1st April 2025

First-time buyer stamp duty rates:

Proportion of property value	Rate for first-time buyers
Up to £425,000	0%
£425,001 to £625,000	5%

For example, if you're a first-time buyer looking to buy a £525,000 house in England, you'll start paying SDLT at £425,000. Your total charge would be £5,000.

After 1st April 2025:

First-time buyer stamp duty rates:

Proportion of property value	Rate for first-time buyers
Up to £300,000	0%
£300,001 to £500,000	5%

For example, if you're a first-time buyer looking to buy a £400,000 house in England, you'll start paying SDLT at £300,000. Your total charge would be £5,000.