

**FAO Robert Jenrick
Housing Secretary
2 Marsham St,
Westminster,
London,
SW1P 4DF**

10th July 2020

A call to put in place a retrospective change to Stamp Duty Land Tax

Dear Sirs

We are in challenging and unprecedented times facing into the Covid19 pandemic. Since lockdown on the 23rd of March 2020 it has been difficult for families, employers, and the Country to come to terms with a new way of living over such a short period of time.

The Budget that was delivered on the 11th of March 2020 announced '£12 billion for temporary, timely and targeted measures to provide security and stability for people and businesses.' It was only 12 days later the Country was in lockdown.

Since lockdown thousands of properties have been bought and sold in England. This is, comparatively, a low number, as Conveyancers and the general public were advised not to proceed with any transactions if at all possible.

We adhered to the advice from the Government to ensure safety to our colleagues and clients.

However, we were also advised that if a matter had exchanged and it was simply not possible to postpone, it was permitted to progress provided we were able to agree to social distancing requirements, the property was vacant and the full chain agreed to the move.

In these circumstances, the clients could proceed to completion to avoid any unnecessary costs being incurred due to a potential breach of contract.

We worked tirelessly with our clients and within the published Government guidelines which favoured empty and new build properties. We worked with Key Workers desperate to move whilst also working on the front line and also with individuals and families needing to downsize as they were struggling in the economic climate and collapsing property chains.

Coupled with the stall of the housing industry, clients faced uncertainty, making ends meet if a partner was placed on furlough, employment concerns, reduction in salaries, mortgage lender payment holidays, extended mortgage offers and Covid19 Contract Clauses – all tied up with the emotional fear and panic of Covid19 and the potential impact of it on family and friends.

As an industry we all pulled together, and there was an undeniable flurry of activity when the rules were relaxed in May when we saw a significant increase in activity within the housing market with new buyers and sellers entering into the market for the first time in several months.

As we begin to emerge from what hopefully will be the only phase of Covid19 we are all still facing a great degree of uncertainty and it was therefore a welcome boost to the housing market to hear on the 8th of July the change to Stamp Duty Land Tax.

By moving the SDLT bandings from £125,000 to £500,000 it will hopefully increase transactions across the Country and help individuals in the current moving process. It will ease the financial pressure for those families still on furlough or potentially facing unemployment, now or in the future.

However, we believe that you have forgotten or ignored those individuals or families who were trapped in a house move in the early stages of the pandemic. Many of these people navigated through the Government advice and guidelines; with families pulling together – and often pooling their money to pay fees whilst facing furlough and reduced salaries.

Is it really equitable to treat the public differently in such unpredictable and worrying times? We ask why didn't the March 2020 budget face into the SDLT reduction at the time as part of the 'timely and targeted measures to provide security and stability for people and businesses'.

We appreciate a SDLT change is always seen as a positive move, but we need to face the reality of the impact to those individuals trapped in the Covid19 cycle.

The Government has supported businesses and individuals with the furlough scheme, the SDLT is another positive step, but as we all look forward, we also need to look back.

We are calling on the Government to put in place a retrospective change to SDLT, enabling recent purchasers that completed in the past 15 weeks to reclaim their SDLT levy. After all these very same individuals and families helped keep the housing market going during the last 3 months!

This will relevel the playing field ensuring all members of the public in England are treated equitably, and only then will we all be in a position to embrace the true position of 'timely and targeted measures and provide security and stability for people and business'.

Should you wish to discuss this matter further, please contact Sarah Ryan, Head of Private Client at Simpson Millar, on 0345 357 9080 or email sarah.ryan@simpsonmillar.co.uk.

Yours faithfully

A handwritten signature in black ink, appearing to be 'SR' or similar initials, written in a cursive style.

Simpson Millar LLP