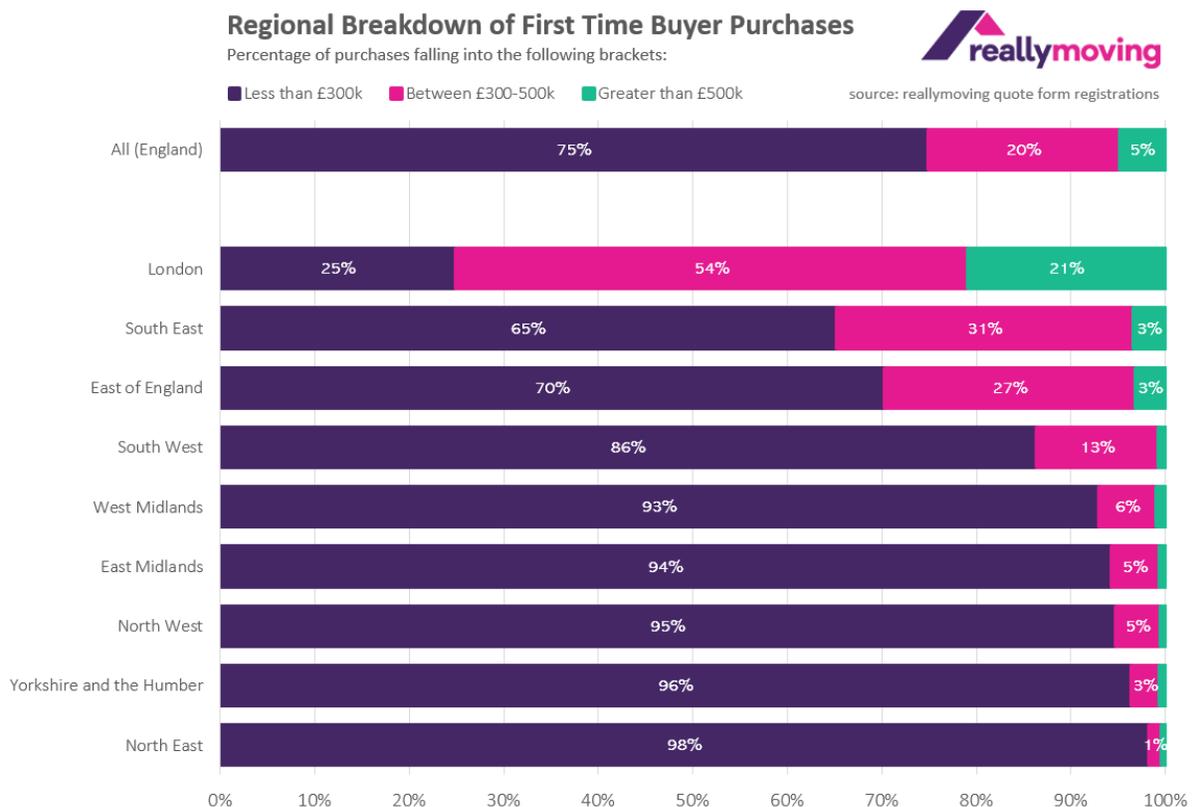


Four of out five (79%) First Time Buyers in London stand to benefit from Stamp Duty giveaway

07 July 2020: Four out of five (79%) First Time Buyers in London will pay zero stamp duty on their purchase if the threshold is increased to £500,000, compared to just one quarter (25%) previously, reports reallymoving.

Despite previous changes to Stamp Duty Land Tax in 2017 aimed at reducing liabilities for First Time Buyers, which saw the lower threshold increased to £300,000, due to higher property prices in the capital the vast majority of First Time Buyers in London have remained liable to pay the tax. If the Chancellor announces plans to scrap stamp duty for purchases up to a value of £500,000, 79% of First Time Buyers in London will be able to buy a property stamp duty free – saving £5,845 on average which could help them meet new higher deposit requirements imposed by lenders.

Graph 1: Regional Breakdown of First Time Buyer Purchases



In the South East region, the proportion of First Time Buyers paying no stamp duty at all on their purchase would increase from 65.2% to 96.6%. Existing homeowners (those buying and selling property) would also benefit substantially, with 86.4% of purchases across England becoming stamp duty free and just over half (55.3%) of all onward purchases in London incurring zero tax.

Rob Houghton, CEO of reallymoving said: *“This tax giveaway could have a significant impact on the market, particularly in more expensive locations such as London and the South East where the majority of First Time Buyers have still been liable to pay stamp duty. First Time Buyers fortunate enough to have secure jobs and large deposits stand to benefit the most, however, and many still face considerable challenges including an insecure jobs market and the withdrawal of higher Loan to Value mortgages.*

‘Those who are in a strong financial position and feel encouraged to commit will make a considerable saving which is far better invested in their first home, helping them to meet lender deposit requirements and increase their equity, than handed over to the Treasury.

“Those who are buying and selling stand to benefit significantly too, with almost nine out of ten transactions by existing homeowners potentially avoiding the tax, not to mention the positive knock on effect further up the chain where buyers would still be liable to pay stamp duty but would benefit from greater transaction volumes across the market.”

-- ENDS --

Notes to Editors

About reallymoving

Launched in 1999 and celebrating its 20th birthday last year, reallymoving has become the UK's leading provider of free instant quotes for home-moving services, serving its 2 millionth customer at the beginning of 2018. It is an independent and privately financed company, majority owned by its management and directors.

During 2019 reallymoving received 270,000 registrations and generated 1,050,000 quotes on behalf of its UK-wide network of partners, representing approximately £190 million worth of work in 12 months. Reallymoving believes approximately 9% of the UK's home movers in 2019 received quotes from the site.

Reallymoving provides instant quotes for Conveyancing, Surveys, Removals, Home Reports (in Scotland) and Energy Performance Certificates.

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