

**Logbook Sheet****1. Skills Element:**

Element 2: Legal Research

**Learning Outcome:**

Demonstrate knowledge and understanding of and be able to:

1. analyse the scope and complexity of situations which need legal research
2. evaluate legal research sources
3. perform appropriate legal research
4. analyse the law in relation to practical problems
5. record and evaluate information
6. synthesise research to present advice

**2. Evidence provided**

HMRC Guidance  
SDLT – Holding Over practice note  
Table showing SDLT liability  
Letter to HMRC dated 27 December 2023

**3. How does this meet the outcome?**

I was asked by a client what SDLT liability they might have in respect of a number of properties where they had been 'holding over' after the end of the lease term where the leases were protected by the Landlord and Tenant Act 1954.

The client identified the properties in question and advised of the initial term of the lease and how much SDLT was paid on the grant of the lease.

I initially asked the client to provide me with a copy of the lease, what the current rent was and whether VAT was payable on the rent including any rent review memorandums and for a copy of the SDLT return and certificate.

Whilst the client was collating the above information I looked for the relevant HMRC guidance note which I found on the GOV.UK website. The relevant note was [REDACTED] and I saved a copy of the note to my file for future reference. I also found a practice note on a website that my firm subscribes to that contains practice notes, precedents, legislation, cases, journals and commentary. The practice note referenced a lot of legislation (the Finance Act 2003) and was not in a format that a client would find helpful or easy to understand. I also saved a copy of this note on my file for future reference. I made sure that both of the references I read were up to date and reliable. I used these as my primary source or reference.

I also searched for any articles and commentary provided by other third parties but kept in mind that these may not be accurate or reliable as I did not know whether the companies providing the information were legitimate or had correctly interpreted the relevant statutes and guidance. By reading secondary sources of information, it helped me to understand whether I had correctly interpreted the HMRC guidance and the relevant provisions of the Finance Act 2003.

I used the information that I had found to establish whether the leases were subject to SDLT for the holding over period and if so, how I would calculate the amount of extra tax due. I carried out the calculations and prepared a table setting out the relevant details for the client so that they could easily understand the 'holding over' SDLT position for each property.

I then prepared a draft letter that I would send to HMRC when the additional tax for the first of the properties was due and sent a copy to the client for information. The HMRC guidance stated that additional SDLT in these circumstances was to be notified by letter. The guidance did not state what should be included in the letter and so I notified them of the relevant details of the property and original lease, how I had calculated the additional tax and provided details of the original SDLT form.

As part of my research regarding SDLT and 'holding over' it came to light that other members of my team did not know or understand the rules in such situations. I therefore prepared some notes and held a training session for my team. I delivered the training in such a way that could be understood by all members of my team from legal apprentices and trainees to partners. I also

covered some other important topics in respect of SDLT as I am usually the person that members of the team ask if they have a query regarding SDLT.

**4. Opportunities for further development (if any):**

This particular topic led to many discussions regarding what we should be telling clients in respect of their liability to pay SDLT when they hold over and that we need a more structured approach that all members of the team follow as it was established that not everyone was doing the same thing (if anything at all). This also highlighted the importance of sharing information and knowledge around the team.

**5. Completion Date:**

**6. Signed (applicant):**

**Date:**