

The complaint

Mr and Mrs C have complained about what they were told when they took out a mortgage through Premier Financial Planning Limited (“PFP”). They say the adviser told them they wouldn’t be eligible for first time buyer stamp duty relief, so they didn’t apply for it, but they say they later found out they were eligible.

What happened

In June 2019 Mr and Mrs C spoke to an adviser at PFP as they wanted to purchase their first property. As part of the advice process, it was recorded by the adviser *“You told me that [Mrs C] was gifted a share of a property by a member of her family. Due to this, the solicitor confirmed that [Mrs C] would not be deemed as a first time buyer. Therefore, Stamp Duty is payable of £5,400.”*

Mr and Mrs C instructed the solicitor that was put forward by the adviser (the same firm that was referenced in the above statement). The property purchase completed in December 2019 and Mr and Mrs C say they paid £5,400 stamp duty.

Mr and Mrs C complained to PFP on 12 December 2024. They said they sought advice from PFP as first time buyers and they were told they would need to pay stamp duty even though they were exempt. They said the advice came about because Mr C told the adviser that he had previously inherited part of a family member’s estate and although a property formed part of the estate, Mr C wasn’t involved in that with it being sold by the estate. They said Mr C simply inherited a monetary sum after the property was sold. They said after further investigation and speaking to HMRC they’d found they were eligible for first time buyer relief and had paid £5,400 in stamp duty that wasn’t due. They said they’d paid stamp duty based on the advice given by PFP.

PFP responded to the complaint on 16 December 2024. It said it didn’t provide any advice on the stamp duty and the adviser contacted the solicitor to enquire on Mr and Mrs C’s behalf. It said the advice and service for all legal matters lay with the solicitors and it was unable to investigate the matter further.

Mr and Mrs C didn’t agree. They sent PFP a copy of a letter they’d received from the solicitor denying liability and saying it hadn’t had any contact from the adviser.

PFP sent a further complaint response letter on 10 March 2025. It said the adviser contacted the solicitor to help with the query and merely passed the information on, and it doesn’t keep copies of phone calls on file. It said it doesn’t provide advice or service of any legal matters, and the areas it can advise on are listed within the Mortgage IDD. It said the starter pack issued by the solicitors said that if Mr and Mrs C had any concerns they should seek specialist tax advice, and that the solicitors said that when it spoke to Mr and Mrs C they didn’t raise any questions about it.

Our Investigator didn’t uphold the complaint. Mr and Mrs C didn’t agree with his assessment of the complaint and asked that it be passed to an Ombudsman to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm sorry to have to tell Mr and Mrs C that I agree with our Investigator; I don't think PFP is responsible here for advising them on any additional costs that are involved in a property transaction, such as stamp duty land tax.

Perhaps PFP shouldn't have got drawn into any mention of it at all as its core responsibility here was to provide appropriate advice on the mortgage Mr and Mrs C wanted to take out. But it seems its answer was based on the information Mr and Mrs C gave – that is, they told the adviser that Mr C had previously inherited part of a family member's estate which included a property. Whilst Mr and Mrs C have now said Mr C never took ownership of the actual property, with it being sold by the family member's estate and Mr C just received a monetary inheritance, based on their submissions it doesn't seem that they told the PFP adviser that. I understand Mr and Mrs C feel the PFP adviser should have asked more questions, but I don't agree as they're not a tax adviser, they based their answer on the stamp duty liability on the information they were given by Mr and Mrs C, and that was that Mr C had inherited a property and therefore wasn't eligible for first time buyer stamp duty relief.

I also need to think about causation. By that I mean, even if the PFP adviser got things wrong, Mr and Mrs C's solicitor ought to have corrected that misinformation at a later point as calculating a borrower's stamp duty land tax liability is part of the solicitor's role in the transaction.

Whilst Mr and Mrs C's solicitor has said Mr and Mrs C didn't ask them about their stamp duty liability at all, as I said above, it was Mr and Mrs C's solicitor's responsibility to submit the stamp duty return and payment to HMRC. As part of that process I would have expected Mr and Mrs C's solicitor to ask any pertinent questions so the liability could be calculated, such as whether Mr and Mrs C owned, or had previously owned, any other properties.

The conveyancing quotation that was emailed to Mr and Mrs C on 4 June 2019 said "*The [stamp duty land tax] shown is based on the information provided at this stage. If you proceed you will be asked to declare whether the transaction attracts standard or higher rate tax, or whether you are eligible for relief or discounted rates and, if necessary, revised calculations will be provided.*"

The starter pack from Mr and Mrs C's solicitor said "*We will request information from you in order to ascertain the applicable rate of tax payable and whether any first-time buyer relief is available, or higher rate tax should be paid. We may during the course of the transaction bring your attention to matters which may give rise to you being able to claim tax at a lower or reduced rate and advise you to seek specialist tax advice. Land tax is a complex area and there may be other exemptions and reliefs available to you. We are not tax advisors and are therefore unable to advise you in respect of these. We would advise you to seek independent tax advice. You accept that by authorising us to exchange contracts and complete the transaction you are satisfied with the tax position that we have informed you of. You accept that we will not be held liable for any loss you may incur as a result of you not having obtained tax advice prior to completion and you subsequently become aware of any exemptions, relief or tax mitigation following completion.*"

The questions their solicitor asked them, and how Mr and Mrs C answered those questions, are a matter between them. But that is the place where those conversations should have

been had and I can't hold PFP liable if that didn't happen, or if incorrect information was given.

If Mr and Mrs C's solicitor felt, having asked those questions, that Mr and Mrs C needed specialist tax advice then it would have explained that. But I can't see a situation where Mr and Mrs C's solicitor would not discuss their stamp duty land tax liability with them at all such that this situation would have come to light had Mr and Mrs C explained matters fully.

Mr and Mrs C have pointed to an error in the fact find in that it was recorded that Mrs C had received the inheritance whereas it was Mr C that received it, and they feel that shows the PFP adviser's documentation and recollection is flawed. But I don't agree that error has the significance that Mr and Mrs C have placed on it. They haven't disputed that they told the adviser a property had been inherited, and I note they have the same first initial, so it would have been easy for the adviser to simply note the wrong customer's name down on the form without it meaning there was a lack of care such that this complaint should be upheld.

Mr and Mrs C have also focused on whether or not PFP phoned the solicitor before they were instructed to act on behalf of Mr and Mrs C, but again this complaint doesn't turn on that. That's because, for all the reasons I've explained, once Mr and Mrs C did instruct their solicitor then these are conversations they should have had with their solicitor and, had they done so and had they explained the full situation with the inheritance, then it is most likely their solicitor would have told them they needed specialist tax advice.

Bearing everything in mind, whilst I understand Mr and Mrs C will be disappointed, I don't uphold this complaint against Premier Financial Planning Limited.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 4 March 2026.

Julia Meadows
Ombudsman