

HM Treasury, I Horse Guards Road, London, SWIA 2HQ

Kathryn Cearns and Bill Dodwell Office of Tax Simplification 1 Horse Guards Road London SW1A 2HQ

13 July 2020

Dear Kathryn and Bill,

I would like the OTS to undertake a review of Capital Gains Tax and aspects of the taxation of chargeable gains in relation to individuals and smaller businesses.

I would like this review to identify and offer advice about opportunities to simplify the taxation of chargeable gains, to ensure the system is fit for purpose and makes the experience of those who interact with it as smooth as possible, as set out in the agreed terms of reference.

This review should identify opportunities relating to administrative and technical issues as well as areas where the present rules can distort behaviour or do not meet their policy intent. In particular, I would be interested in any proposals from the OTS on the regime of allowances, exemptions, reliefs and the treatment of losses within CGT, and the interactions of how gains are taxed compared to other types of income.

Thank you for your ongoing work in reviewing the tax system and striving to make it simpler, fairer and better.

Best wishes,

RT HON RISHI SUNAK MP