From:
Sent: 24 June 2014 15:54
To:

Subject: FW: Consultation on non-residents (2) - response from

From:
Sent: 23 May 2014 23:02
To: TaxTeam, CapitalGains (CAR Capital Gains)
Subject: Fwd: Consultation on non-residents (2)

Dear Sir / Madam
Further to my previous email listed below.

4. I meant to mention that the other factor that should be considered is how long the investment has been owned. There should be taper relief depending on the length of time owned. A reduction in tax for the length of time the property has been owned.
A person who has invested in GB and provided social housing (not only DSS housing) for many years, should not be taxed at the same rate as someone who has seen short term house price rises, as a pure investment speculation.

Yours faithfully,

---------- Forwarded message ----------
From:
Date: 23 May 2014 23:50
Subject: Consultation on non-residents
To: Capital Gains Tax Consult <capitalgains.taxteam@hmrc.gsi.gov.uk>

Dear Sir / Madam.
I will reply later to the individual questions that I have a view on.
However I wanted to raise a couple of points that I think are important or are not mentioned.

1. It is very important for future investments and associated investors, that GB is still considered a safe and reasonable place to invest. Therefore it is very very important that you honour your statement "and apply only to gains arising from that date" .
Any attempt to back date the tax will create a "You cannot trust them" attitude which will have a long term bad effect.

2. My wife and I invest in Residential property which is then let out to tenants. We do this not only as a reasonable investment but as a socially responsible way to invest. We provide good quality homes to families and individuals. This is very necessary since governments of the past were not socially responsible and chose to sell off council housing thus creating the difficulties which exist today. We also do this to create a pension for ourselves. Therefore any capital gains we make are very different to those made by people buying properties for themselves as holiday homes or homes which are only used for a short time each year.

We believe (and this can apply to UK tax resident owners too) that capital gains tax made on property which has been let out and has been occupied say for at least ten months each year, should be subject to a lot less capital gains tax, since we are providing social housing which would not be available if we did not do it. It should be accepted that capital gains tax made as a result of socially responsible and helpful investments needs to be treated differently to gains made as a result of a gamble that house prices will rise and thus be a good investment.

The government has recently made changes to the allowed use of private pension money. We have been creating our own pension fund for many years but there has been no way to declare a property as such. Again should this not be considered? Perhaps a simple way to cope with this would be to allow a lower rate for those aged 65 or over?

3. The matter of how to value property at April 2015 needs to be covered. Will a statement from an estate agent be sufficient and will a set charge for the valuation be declared?

Yours faithfully,