

Strictly Private and Confidential

22 March 2023

The Rt Hon R Sunak MP
10 Downing Street
London
SW1A 2AA

Dear Sir,

Personal Tax Returns

Please find below a summary of your UK taxable income, capital gains and tax paid over the last three tax years as reported to HMRC.

	Note	2019/20 £	2020/21 £	2021/22 £
Income				
Earnings:				
Member of Parliament		79,444	81,908	81,908
Ministerial Salary	(2)	19,180	74,256	74,255
Savings Income:				
Bank Interest	(3)	2,479	472	293
Investment Income:	(4)			
Interest		41,703	7,371	690
Dividend		195,637	174,363	172,415
Total Income		338,443	338,370	329,561
UK Income Tax		123,107	124,473	120,604
Less foreign taxes withheld/paid	(5)	(29,346)	(16,638)	(13,937)
Capital Gains				
Gains	(4)	679,946	1,439,211	1,641,431
UK Capital Gains Tax		133,589	285,382	325,826
Total UK Tax Paid		227,350	393,217	432,493

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Please note the following:

1. You are domiciled in the UK and have always filed your tax returns on that basis. As a resident of the UK you are therefore taxable in the UK on your worldwide income and gains.
2. The income reported in respect of your Ministerial Salary includes your salary plus an additional amount to reflect expenses for the use of Downing Street. These expenses relating to the use of Downing Street are chargeable to tax as a benefit in kind. We understand this is longstanding practice.

The Ministerial Salary reported for 2019/20 includes your salary for your role with the Department for Local Government, your salary for your role as Chief Secretary to the Treasury, as well as your salary as Chancellor of the Exchequer for part of that year.

3. The amounts reported as bank interest relate to the interest on your savings accounts with a US high street bank
4. All of your investment income and capital gains relate to a single US-based investment fund. This is the investment listed as a "blind management arrangement" on the List of Ministers' Interests. You are subject to tax in the UK on your portion of the income and gains received by this fund, notwithstanding that none of those amounts are distributed to you.
5. Some of the income of the US-based investment fund is also subject to tax in other jurisdictions (including the USA). As these amounts are also fully taxable in the UK, HMRC allows an individual to take a tax credit for some or all of the overseas tax already paid against the UK tax due. The amount of any credit is determined in accordance with the relevant tax treaty and it can be the case that the amount of credit allowed is less than the actual amount of tax paid overseas, resulting in an element of "double taxation". For example, the amount of foreign tax credit you claimed for the 2021/22 tax year was less than the total foreign tax you paid. The numbers reported here reflect the amount of credit that was allowed against your UK tax liability.

We can confirm that your previously held Green Card status did not impact your tax liability in either the UK or the USA during this period. This is because you were considered non-resident for US tax purposes. Therefore, the only income or gains that were taxed in the USA were the US source dividends. Please note that US source dividends are taxable in the USA for any non-US resident. As noted above, you are taxable in the UK on your worldwide income and gains, therefore, these US dividends were also subject to tax in the UK.

For completeness, please find in the table below details of the US source dividends and tax liability that were reported in your US Federal Tax returns for 2019, 2020 and 2021. These were the only amounts subject to tax in the USA, and were also fully reported in your UK tax returns as investment income (see Note 4 above)

	2019	2020	2021
Dividends	\$175,053	\$123,317	\$45,948
Tax	\$26,258	\$18,498	\$6,892

6. We are not aware of any other taxable sources of income or capital gains from either the UK or overseas.

Yours faithfully,

A handwritten signature in black ink that reads "Evelyn Partners". The signature is written in a cursive, slightly slanted style.

Evelyn Partners LLP