



Private client tax

Topical issues in personal tax

Have you considered these topical issues in the UK tax system?

Sale of residential property

From 6 April 2020 the sale of any UK residential property must be reported to HMRC within 30 days of completion with a payment on account of capital gains tax due at the same time.

Property sales by non-residents

From 6 April 2019, the rules on the taxation of residential property sales by non-UK tax resident persons were extended to cover all UK real estate as well as shares in companies deriving their value from UK land and buildings. Such sales are taxable and reportable within 30 days of conveyance.

Taxation of pension contributions

Personal tax charges become payable when pension saving exceeds a £40,000 annual limit plus unused carried forward allowances. High earners suffer reduced annual limits and more of our clients are being affected, although from 6 April 2020 only those earning over £200,000 will see their allowance reduced below £40,000.

Low emission vehicles

From 6 April 2020 the benefit in kind rates for low and zero emission cars are slashed, making them considerably more attractive as company cars. For owner managed businesses things is better still, with significant up front corporate tax relief for purchasing such cars.

Property and Trading Allowances

Since April 2017, there have been property and trading allowances available which give the option of claiming a £1,000 tax-free allowance on rental and trading income respectively, instead of claiming for all actual expenses of running the property or trade.

Marriage Allowance

Statistics show that the Marriage Allowance continues to be under-claimed. It is available where one spouse has income below the thresholds for tax to be charged whilst the other pays tax at the basic rate.

Sharing household income

As well as stark differences in tax rates, income thresholds operate to limit personal allowances, hinder child benefit entitlement and limit ability to contribute to pensions. Married couples should consider options for equalising their income where possible.

Probate services

As well as offering a wide range of tax services, a number of UHY Hacker Young offices, including Letchworth, are regulated to carry out non-contentious probate services.

Inheritance Tax

An additional tax-free allowance relevant to a taxpayer's home has now been fully phased in. Worth £140,000 in tax savings to a married couple, it is both means-tested and subject to restrictions, so taking advice to ensure you will be eligible is recommended.

Sales of former home

On 6 April 2020 the capital gains tax reliefs for properties which were once the sellers home but have also been rented out became much less generous. Those considering a sale, especially those who are married, should consider their tax exposure in advance of any transaction.



If you think any of these tax issues may affect you, feel free to contact your local UHY tax expert for advice.

THE NEXT STEP

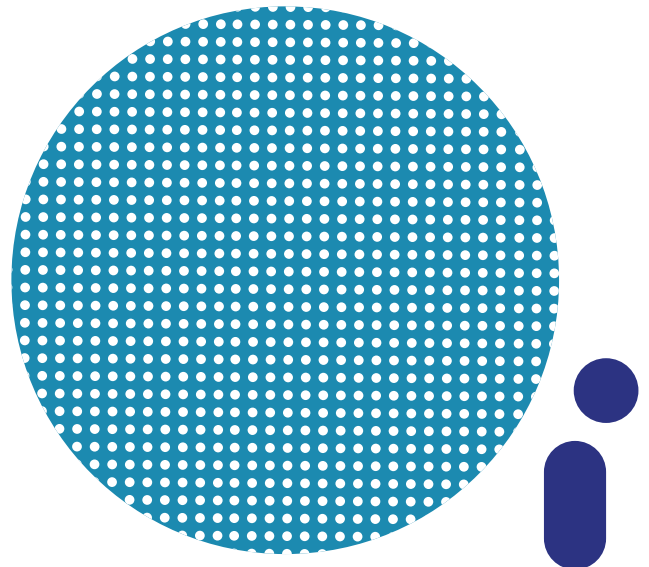
Should you wish to discuss how any of these matters may affect you, please speak to your usual adviser, or contact

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Alternatively, read more about us on our website at www.uhy-uk.com.



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