



Deemed domiciled individuals

- 15 Year rule – it has been confirmed that an individual who would otherwise satisfy the 15 out of 20 years residence requirement in any tax year will not be treated as deemed domiciled if they are non-UK resident in that tax year and have been non-UK resident in the previous three tax years. Also a person who leaves the UK before 6 April 2017 will not be subject to the 15 year rule providing they do not return to the UK.
- Cleansing of mixed funds – the “window” for segregating mixed funds has been extended from one year to two years and transfers out of mixed funds must be made either in 2017/18 or 2018/19. All transfers from mixed accounts must be formally nominated. As previously stated, this opportunity will only be available to individuals with a non-UK domicile of origin who have previously claimed the remittance basis. It does not apply to mixed accounts held within a trust or company structure.
- Capital gains tax rebasing - as previously advised the base cost of assets which were situated outside the UK during the relevant period (16 March 2016 to 5 April 2017) can be rebased to market value on 5 April 2017. This applies only to individuals who are deemed domiciled under the 15 year rule on 6 April 2017.
- Business Investment Relief – the scope of the relief is to be extended with effect from 6 April 2017 to include acquisitions of shares in existing companies, whereas previous only new subscriptions were eligible for relief.

For further information please contact:

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