Office of Tax Simplification capital gains tax review: call for evidence

OMB Personal tax

28 August 2020

The Office of Tax Simplification has launched a wide-ranging review of capital gains tax and the views and experiences of members would be very welcome.

On 14 July, the Office of Tax Simplification (OTS) launched its Capital gains tax review: call for evidence (the review) following a formal invitation from the chancellor to review capital gains tax (CGT) and aspects of the taxation of chargeable gains in relation to individuals and smaller businesses. In keeping with the focus on smaller businesses and individuals, the review does not include issues specific to corporate groups. In a wide-ranging review, the OTS are looking for simplifications of both technical and administrative issues of CGT.

The review is being carried out in two stages. The first stage, which closed on 10 August, focused on high-level aspects including allowances, exemptions and reliefs, losses and the interaction of gains with other types of income. The responses to this first part are intended to help to shape the focus of the second (major) part of the review, which will cover both the technical detail and practical aspects of CGT. The deadline for submissions to the second part of the review is 12 October.

The ATT, CIOT and LITRG will be responding to both stages of the review. The CIOT has formed a working group to co-ordinate responses to the call for evidence and has met the OTS to discuss the themes of first part of the review. A second meeting will be held to set out views on the technical review.

The ATT has a group of volunteers who will be contributing to its responses to the different stages. The ATT’s written comments for the first stage of the review were based on meetings with volunteers in August, and ATT volunteers will be meeting with the OTS for the more detailed comments on the second stage in September.

As part of the review, the OTS is also running a survey which members may wish to bring to the attention of clients who have reported CGT. Agents are welcome to complete the survey but should bear in mind that it is aimed more at taxpayers than agents.

Feedback and comments from members would be very welcome on this wide-ranging review. Please send comments to atttechnical@att.org.uk or technical@ciot.org.uk or directly to us on the email addresses below.

Full details of the review and the survey are available at: https://tinyurl.com/ybcncfat.