

Business Insurance

- Public Liability Insurance
- Employers Liability Insurance
- Public and Employers Liability
- Small Business Insurance
- Professional Indemnity
- Shop Insurance
- Landlords Insurance
- Plant & Materials
- Office Insurance
- Pub Insurance
- Consultants Liability
- Restaurant Insurance
- Hotel Insurance
- Factory / Manufacturing

Vehicle Insurance

- Van Insurance
- Goods in Transit
- Courier Insurance
- Fleet Insurance
- HGV Insurance
- Prestige Car

Managing your insurance

- Retrieve Quote
- Log Your Claim
- Business Support

Corporate

Home > Industry News

Landlords should be included in CGT exemptions

Landlords are expected to rush the sale of their properties to avoid the upcoming increase in capital gains tax (CGT), the National Landlords Association (NLA) has suggested.

The Association is concerned that the future of property investment could be under threat if a new income tax band scheme replaces the current CGT on non-business assets.

The Government's new policy relating to UK landlords includes the replacement of the flat rate of 18% for capital gains on non-business assets for income tax bands of 20%, 40% and 50%.

This means that for every £100,000 of profit, the seller would pay an extra £22,000 in tax. The new rates are generally thought to pay for the planned increase in the Income Tax exemption threshold to £10,000.

CGT is paid when an asset or investment that has increased in value is sold or transferred.

David Salusbury, chairman of the NLA, said he did not want any decisions to be made without proper consideration. He said:

"When landlords let property they are running a lettings business. We are calling on the government to ensure profits from this business activity are included as part of the exemptions."

James Moss, Director at Curzon Investment Property, said that it is worrying that some of his clients could be forced to pay hundreds of thousands of pounds in extra tax. He said:

"Housing – particularly in prime areas – has held up well for investors but this will come as a blow to many."

19/05/2010 08:53:00 Comments 0

SHARE

Name

Web site

Comment

Submit

