

## CAPITAL GAINS TAX (CGT)

### Asset Disposals

Please let us have the following information in respect of any assets sold, gifted or otherwise disposed of during the year ended 5 April 2009:-

- The date and sale proceeds of disposals of any shares, securities, property or other assets.
- Where not previously provided, the date and cost/value of acquisition of the asset disposed of.
- Supporting documentation of any valuation made in respect of the asset disposed of, for example on the gift of an asset or a 31 March 1982 valuation.
- Details of any assets you are holding whose value has become negligible.
- Details of any shares/cash received following any reorganisations and/or building society or insurance company demutualisations.

### Asset Acquisitions

Please confirm the date and cost of acquisition of any shares, securities, property and other assets acquired (including any gifts or legacies under a Will) during the year ended 5 April 2009 and **also during the following month to 5 May 2009.**

We may be missing tax planning opportunities if you fail to advise us of relevant acquisitions, in particular when you acquire a second (or subsequent) property which is a residence.

Please also confirm the date and amount of any expenditure incurred in enhancing the value of an asset.

### Other Information

The information provided in connection with shares and securities should include details (dates and cost) of any bonus and rights issues and partial sales of a holding. If you know that an acquisition or disposal of any asset was at a price other than market value please let us know.

It would be helpful if you could send copies of contract notes relating to acquisitions or disposals of shares and securities (or brokers statements).

### Foreign Exchange Gains

Capital gains or losses can arise on movements on foreign currency held in bank accounts, managed portfolios etc. The holding of foreign currencies as investments is seen by HMRC as the holding of chargeable assets. If you have any bank accounts, etc, held in foreign currencies you should provide copies of the statements covering the year so that we can review any potential gains or losses arising.

## **Enterprise Investment Schemes (EIS)**

A claim may be made to defer all or part of a chargeable gain on the disposal of an asset if you subscribe for EIS shares. The EIS shares must be issued to you within one year before and three years after the date of the disposal for which you wish to claim relief.

## **Transfer of Assets Abroad**

If you have an interest in a non UK resident trust, company or any other entity, you may be subject to certain UK anti-avoidance provisions on gains arising within the entity, as well as UK taxation on either distributions and/or enjoyment of benefits from those entities. Please let us have details of any such interests so that they can be reviewed for potential UK tax liabilities.

## **Tax Planning**

If you carried out any tax planning in advance of the changes to the CGT rules that came into effect from 6 April 2008, please provide us with full details.

## **Maintenance of our records**

If the total chargeable gains during the year ended 5 April 2009 were less than £9,600, no CGT will be payable. However, it is essential for us to have details of any disposals as a tax return disclosure may still be required and to enable us to update our records.

## **INHERITANCE TAX (IHT)**

Lifetime gifts and transfers are generally exempt from IHT providing that the donor survives seven years. However, there may still be IHT implications of making a gift where either of the following apply:-

1. The transfer is into a trust
2. The gift reserves some benefits for the transferor in which case the asset may remain in the transferor's estate and attract IHT on his or her death.

You should note that a gift or transfer may give rise to a chargeable gain or loss for CGT purposes.

Please let us have details of gifts or transfers which you have made or which you propose to make so that we can advise of any tax implications.