

**MEMO# 31830**

June 28, 2019

## **ICI Global Submission on UK Non-Resident Capital Gains Tax**

[31830]

June 28, 2019 TO: ICI Members

ICI Global Members SUBJECTS: International/Global

Tax RE: ICI Global Submission on UK Non-resident Capital Gains Tax

ICI Global submitted that attached letter to the United Kingdom's Revenue and Customs requesting confirmation that US regulated investment companies (RICs) are not subject to registration or reporting requirements when investing in UK real estate investment trusts (REITs). This confirmation is necessary because of confusion regarding application to treaty-entitled funds such as RICs of the new UK non-resident capital gains tax (NRCGT)[\[1\]](#) that came into effect on April 6, 2019.

Confirmation is needed promptly because the new UK law requires companies to register within three of the first disposition of UK real property (including REIT shares) on or after April 6. Thus, absent guidance, registration might be required for RICs that are exempt from UK tax on their gains as early as July 6.

ICI continues to coordinate with industry associations, mainly in Europe, to request clarifying guidance for funds that are not treaty-entitled or that invest in assets not covered by the applicable treaty.

Keith Lawson  
Deputy General Counsel - Tax Law

[Attachment](#)

### **endnotes**

[\[1\]](#) See, [http://www.legislation.gov.uk/ukpga/2019/1/pdfs/ukpga\\_20190001\\_en.pdf](http://www.legislation.gov.uk/ukpga/2019/1/pdfs/ukpga_20190001_en.pdf). See also, [http://www.hmrc.gov.uk/gds/cg/attachments/CG-APP15\\_Non-resident\\_capital\\_gains\\_from\\_6\\_April\\_2019\\_Collective\\_Investment\\_Vehicles\\_draft\\_guidance.pdf](http://www.hmrc.gov.uk/gds/cg/attachments/CG-APP15_Non-resident_capital_gains_from_6_April_2019_Collective_Investment_Vehicles_draft_guidance.pdf).

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