

MEMO# 31913

August 20, 2019

UK Response to Industry Coalition Submission on Non-Resident Capital Gains Tax

[31913]

August 20, 2019 TO: ICI Members

ICI Global Members SUBJECTS: International/Global

Tax RE: UK Response to Industry Coalition Submission on Non-Resident Capital Gains Tax

Her Majesty's Revenue and Customs (HMRC) has responded to one issue raised in the coalition letter submitted by ICI Global and eight other collective investment vehicle (CIV) industry associations^[1] regarding the new UK non-resident capital gains tax (NRCGT).^[2] Specifically, HMRC has responded to our request for confirmation that CIVs subject to the tax have a 12 months accounting period, file a single annual return, and apply the standard payment regime of 9 months and 1 day after the end of the accounting period.^[3]

HMRC wrote to inform us that they have updated the relevant GOV.UK [page](#). The guidance confirms that CIVs have a 12-month accounting period with the applicable filing and payment obligations. Payment due dates, the response notes, will depend on the level of profits and will vary depending on whether thresholds are met.

HMRC also confirmed again, as we were advised by HMRC on 4 July,^[4] that treaty-entitled CIVs are not required to register while HMRC determines its registration and reporting requirements. Moreover, these CIVs will not be subject to penalties for late notifications (should they be required) until after HMRC determines its position.

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[Attachment](#)

endnotes

^[1] See Institute [Memorandum No. 31864](#), dated July 19, 2019.

[2] The new law, which imposes tax on non-UK investors (other than those exempt by treaty) in UK real estate-related investments, including real estate investment trusts (REITs), came into effect on April 6, 2019. See 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.

[3] The HMRC response notes that our other guidance requests will be addressed separately.

[4] See Institute [Memorandum No. 31836](#), dated July 5, 2019.

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