



Confident about the future

Personal tax advice that puts you in
control today and ready for tomorrow.

KPMG Personal Tax Service







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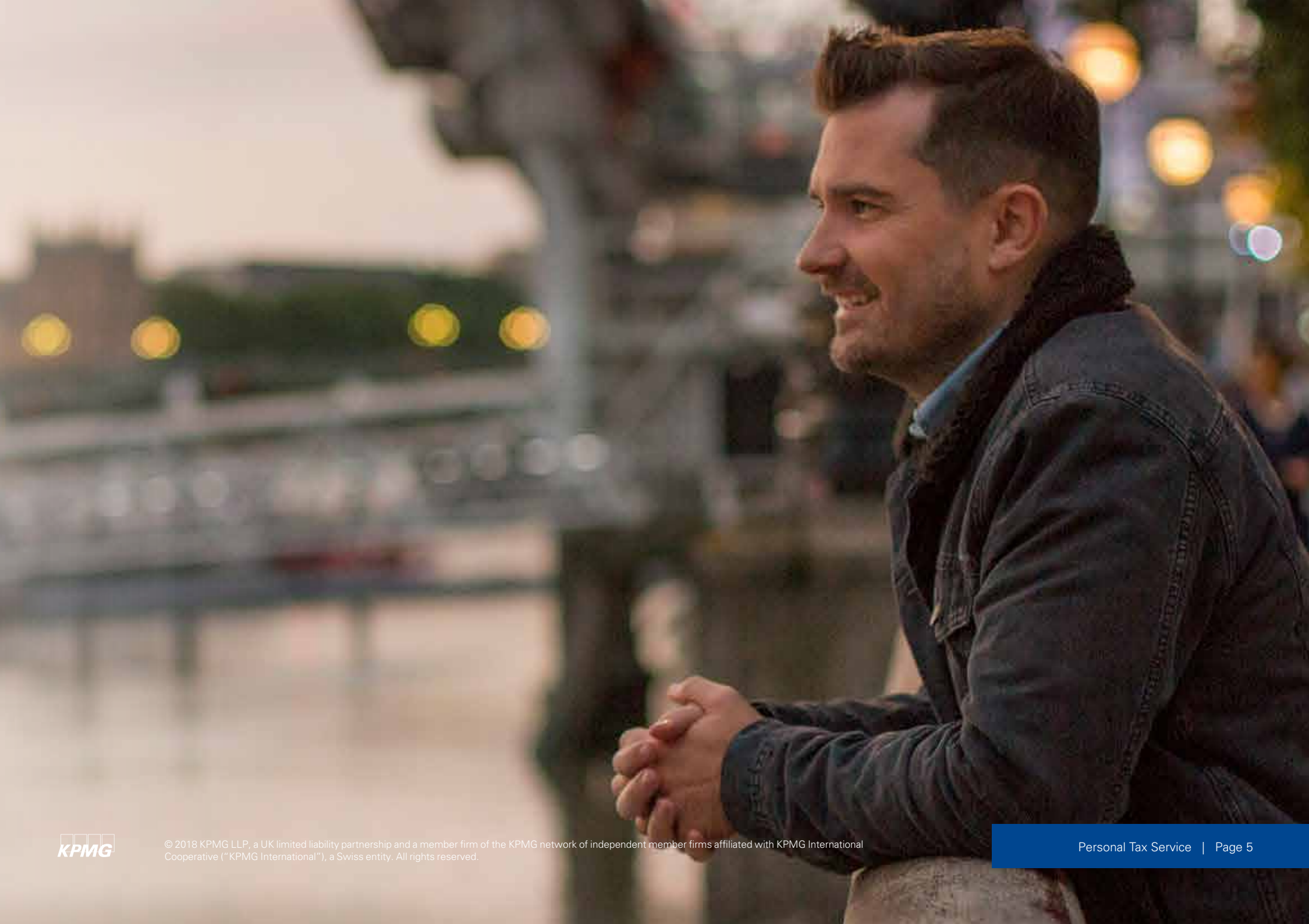
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Manage your tax affairs with confidence

Success doesn't happen by accident. Having a goal, planning carefully and being confident to make the right decisions at the right time likely contributed to your success. It's those same principles that need to be applied to your tax affairs.

Tax is complex and constantly evolving and it's vital for you to stay on top of the developments. To be effective in your approach you do not only need to manage your tax liabilities and filing obligations today, but also put in place a strategy for tomorrow. Not understanding your personal tax position fully and failing to plan effectively could seriously impact your financial position. Now is the time to take professional advice and in doing so help secure your future – and that of your family – for years to come.

A proactive, knowledgeable personal tax advisor from KPMG can guide you through a review of your tax affairs and leave you feeling in control. Whether it's advice on significant lifestyle changes such as an international move, an inheritance receipt, helping your children buy their first home, or if you simply want to ensure that your tax affairs are properly managed, KPMG can help. Our Personal Tax Service offers high-quality, tailored advice built around your needs.





Why KPMG?

We are one of the largest networks of professional services firms in the world and deal with the tax affairs of a wide range of clients, from private individuals to the largest multinational businesses.

With roots dating back to 1867, and over 14,000 people working for our clients in the UK, we offer the expertise to tackle even the most complex of tax issues. Plus, through KPMG's network of member firms in over 154 countries and territories, wherever you go it's likely we can offer local expertise on your personal tax position.

We have a trusted working relationship with tax authorities including HMRC and our work is governed by our tax principles.

At the heart of our advice, these principles set an unwavering commitment to act lawfully and with integrity to clients. We've proactively used our extensive breadth of knowledge to help thousands of clients manage their tax affairs, and we can help you too.

Our services are flexible, affordable and designed to meet your needs. We can look at your personal, your family and your business tax affairs, and devise a holistic and tailored tax plan that will help you feel confident that you're making all the right decisions to secure your future for years to come.

Be confident about tax

Tax can be a complex and sometimes daunting matter. KPMG can simplify and explain things in a way that is understandable and tailored to your individual needs.



1. **Confident in a personalised and dedicated tax plan**

When devising a strategy for your tax affairs, your knowledgeable and skilled tax advisor will make a detailed assessment of your unique financial situation, including commitments to family and business, where relevant. Then working collaboratively with you and any existing advisors, we'll work to ensure that you meet your tax requirements today and make the right decisions for the future.



2. **Confident in the highest calibre advice**

Relationships are at the heart of our business and great service is the bedrock. You'll have a named contact in the UK who will head-up our relationship backed by the leading expertise of our tax practice.



3. **Confident in an efficient, accessible and affordable service**

Our easy-to-use Personal Tax Service client portal is designed to put you in control. Our costs, which are tailored to your needs, transparent and affordable, will put you at ease. It's an expert and comprehensive service that will help put you and your family in a position for a successful future.



KPMG's Personal Tax Service is guided by our Global Principles of a Responsible Tax Practice, which form the foundation of expected standards and conduct for our advisors.

We are committed to providing our clients with advice of the highest quality tailored to their individual needs. We will work with our clients to ensure full compliance with legal and regulatory requirements; and aspire to the highest professional and ethical standards. To achieve this, we maintain a trusting and respectful relationship with tax authorities to enable constructive dialogue and responsiveness.



Inheritance tax

Inheritance tax is a highly emotive area, and one that can be difficult to think about. However, it has the ability to greatly impact the amount of wealth that you are able to pass on to your family. Taking the time to give early consideration to your personal tax position and understand how your estate will be taxed is vital.

The UK inheritance tax (IHT) regime is not straightforward. IHT can fall due at rates of up to 40% on any assets held on death. In addition, it doesn't just concern itself with your estate after death. Tax may also be payable on lifetime gifts; either immediately, or at a later stage if you make gifts to family and friends during your lifetime and pass within seven years of making the gift. Importantly, IHT looks beyond borders. A UK domiciled individual is typically subject to IHT on their worldwide estate.

What we can do to help:

- Explain how IHT works
- Assess your current exposure to IHT
- Advise on your entitlement to statutory exemptions and reliefs
- Offer guidance on making gifts to family and the use of trusts
- Help you understand how IHT may impact your family business
- Explain trust and estate compliance and reporting obligations

Property

The UK property tax landscape has evolved rapidly in recent years, and the unprecedented number of changes has greatly increased the complexity for both existing and aspiring property owners. Whether you have an existing buy-to-let portfolio, are wanting to assist your children in getting onto the property ladder, or are looking to dispose of current property interests, understanding the UK tax landscape, and the potential impact of the recent changes is of great importance. We can help you make the right decision.

Key changes for buyers to consider include the introduction of higher rates of Stamp Duty Land Tax (SDLT) for purchases of 'additional' residential properties such as second homes and buy-to-let investments, and the extension of the Annual Tax on Enveloped Dwellings (ATED) regime. These rules could have a major impact on the overall cost of your new purchase.

Both established and new buy-to-let landlords may be impacted by the new rules that restrict the deductibility of finance costs for tax purposes and the abolition of the 'wear and tear' allowance. Investors may therefore see their tax bills increasing, and for highly geared portfolios in particular, action may be required to ensure you don't find yourself in a negative net cash-flow position.

If you are thinking about disposing of a UK property (even if you live overseas), then it's important to give early consideration to your tax reporting obligations. Full or partial relief from capital gains tax charges may be available in certain circumstances, so it's necessary to pinpoint which (if any) of the various reliefs are applicable to you and how they may impact your overall financial position.

What we can do to help:

- Advise you on buy-to-let tax considerations, including incorporation and property acquisition advice
- Offer guidance on assisting children and other family members with their property purchase
- Advise you on property acquisition for second family homes and holiday homes
- Assist with understanding property disposal, including guidance on Private Residence Relief (PRR) and lettings relief
- Assist with your tax compliance and reporting including ATED, non-resident landlord returns and non-resident capital gains tax returns



Living and working overseas

Whether you are moving to or leaving the UK, or spend part of the year here, knowing whether or not you are resident in the UK for UK tax purposes is critical in determining your exposure. Additionally, as of April 2017, the number of years you have been a UK tax resident can affect your domicile position for tax purposes, which can further impact your overall position. We can help you clarify your status.

Since April 2013, the UK has determined tax residence using the Statutory Residence Test (SRT), which looks at both the number of days you spend in the UK and 'connection factors' to the UK. The rules can be complex and some of the connection factors require deep analysis to ascertain whether they apply.

In addition, an individual may be dual resident in both the UK and another country for tax purposes. This can make it difficult to know to which country tax is payable, making it necessary to consider any relevant double tax treaty to determine where a tax liability is due.

What we can do to help:

- Assess your residence status under the UK Statutory Residence Test (SRT) including the potential eligibility for split-year treatment
- Advise on the impact of your residence status on income tax, CGT and IHT
- Advise on arrivals and departures
- Help you to understand overseas tax considerations
- Offer guidance on, and assist you with meeting your tax compliance and reporting obligations

Domicile

Domicile is an long-standing common law concept that is governed by common law. An individual generally inherits it from their parent at birth, and this is typically only lost as a consequence of adopting a permanent intention to reside indefinitely in another country. It is fundamentally distinct from nationality or residence, although both can influence an individual's domicile. Importantly, it can have a major impact on the way that you are taxed, and can therefore greatly impact your overall financial position. We can help you understand your position.

Understanding whether you are UK domiciled or non-UK domiciled for UK tax purposes is critical in determining exposure to UK income tax, capital gains tax and inheritance tax. Once clarified, we can manage any resulting impact on your personal tax position.

For instance, if as a UK resident individual you are non-UK domiciled you may be able to benefit from the remittance basis of taxation, under which you're only liable to pay UK tax on your foreign income and/or gains if and when they are brought to the UK. Your domicile status also matters when it comes to inheritance tax, with property situated outside the UK not generally being subject to inheritance tax provided you are not domiciled (or deemed domiciled) in the UK.

What we can do to help:

- Offer guidance on your domicile status including the application of the 'deemed domicile' rules for long-term residents
- Assess your exposure to income tax, CGT and IHT in light of domicile status
- Advise on the use of offshore trusts and overseas companies
- Offer guidance on the remittance basis and how 'rebasing' works
- Assist in meeting your personal tax compliance obligations



Entrepreneurs and owner-managed businesses

Building and running your own business is hard. Thinking about your personal tax position can be an unwanted complication that detracts and pulls you away from what you do best. However, understanding the UK tax system, your reporting obligations and the available reliefs and exemptions is absolutely critical to the success of your endeavour. So, no matter what stage of the journey you're at, we're here to help you find the best options for you and your business.

Exiting your business, be it an Initial Public Offering, trade sale, private equity investment or family succession, can be a once in a lifetime event so it's vital to do it right. Despite that, we continually see individuals under-prepare. Various government-backed reliefs can apply to reduce the tax you pay when you dispose of your interest in your business, but the rules can be complex and time-sensitive, and there are many pitfalls that can result in relief being withdrawn. Failing to take professional advice has the ability to significantly impact the net proceeds that you ultimately walk away with.

For businesses at the other end of the company lifecycle, understanding the tax reliefs that are available to help attract external investment can be essential in enabling your business to grow. The Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS) are HMRC-approved tax-efficient regimes designed to encourage investment in early-stage companies. But compliance with the EIS and SEIS regime is vital; getting things wrong can have serious implications on the personal tax position of your investors. We can help you to get it right.

What we can do to help:

- Advise on business exits and share disposal support
- Provide you with entrepreneurs' relief and investors' relief reviews
- Explain transaction clearances
- Advise on cash extraction and shareholder structuring
- Support you with SEIS and EIS Advance Assurance applications
- Help you to understand R&D tax credits
- Support on Patent Box



Divorce and separation

The breakdown of a marriage or civil partnership is stressful, and tax is likely to be the last thing to think about. However, not giving early consideration to the tax implications associated with separation, divorce and the terms of any proposed settlement could have major financial ramifications. We can help you plan your next step.

The rules associated with divorce and separation can be complex, and differ by tax. Whilst transfers between spouses or civil partners are generally subject to specific tax exemptions, these tax advantages often end with separation or divorce. The transfer of assets from one individual to another can have several potential tax implications and any transfers of UK property interests, such as the family home, should be carefully managed. The timing of transfers is also critical so care is required and expert advice highly recommended.

What we can do to help:

- Offer guidance on the various Income Tax, IHT and CGT considerations that you should be thinking about
- Advise you on the timing of asset transfers and the implications of separation and the Decree Absolute
- Assess the tax implications of the transfer or division of the family home
- Advise you on the tax considerations for pre-nuptial agreements





Tax investigations

Whatever the reason, an investigation into your tax affairs by HMRC can cause feelings of anxiety and stress and unravelling the requirements can be confusing and time consuming. As your tax advisor we'll simplify the process, proactively working with you and HMRC to devise a plan that will lead to a resolution.

There are various types of HMRC investigation, from a routine self-assessment compliance check, to Code of Practice 9 enquiries.

What we can do to help:

- Help you with all aspects of HMRC enquiries
- Advise on specialist HMRC investigations including Code of Practice 8 and Code of Practice 9
- Perform tax 'health checks' and risk assessments
- Assist you with voluntary disclosures for underpaid tax liabilities (including use of the Worldwide Disclosure Facility)

Compliance services

The UK personal tax compliance landscape is complex, with reporting requirements that vary depending on the type of tax and your individual circumstances. The self-assessment system of taxation means that it is your personal responsibility to complete a tax return where required and to provide HMRC with full details of all taxable income and capital gains. We can guide you through the process to help you ensure you're fully compliant and pay the right amount of tax.

Not paying the right amount of tax at the right time or failing to lodge a tax return with HMRC by the relevant due date can result in heavy fines. Additionally, failing to tell HMRC about your chargeability to UK tax could potentially result in them being able to go back up to 20 years to collect any underpayments of tax.

Given the strict deadlines and the fact that potential penalties can be as much as 200% of any underpaid tax in some circumstances, it's important not to get your UK tax reporting obligations wrong. Let us help you get things right.

What we can do to help:

- Assist in completing personal tax returns
- Advise on IHT, trust and estate returns
- Help you to complete ATED (Annual Tax on Enveloped Dwellings), NRL (Non-Resident Landlord) and NRCGT (Non-Resident Capital Gains Tax) returns
- Support you with small business accounting and Corporate tax compliance services



“As the UK tax system becomes ever more complex, it’s time to get confident about your tax affairs. Our dedicated team of tax professionals across the UK can help you with all aspects of business, personal and family tax issues.

Confidence is often an enabler for us to act on our ambition and desires, providing certainty that a chosen course of action is the best for us, our families and our communities. We are committed to help you gain confidence about your tax affairs by giving you a complete picture of your tax position, and supporting you in managing it proactively.

We give you the tools to understand, plan and grasp the challenges of the tax system to put you in control today and ready for tomorrow.”

Jo Bateson

Partner, KPMG in the UK



Contact us

To discuss your requirements further, please get in touch with us.



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