

This was an Autumn Statement for 'hard working people', except those on high incomes.

Well, goodness me – the sun is shining and Mr Osborne is out there fixing the roof. Although by the sound of it, nothing needed fixing. Growth is shooting up unexpectedly and better than practically everywhere else in the world; employment is at an all-time high, the deficit will be gone soon and we will be surplus by 2018. Can it really be that good? Apparently, the Office of Budget Responsibility says that this is part of the cyclical improvement. Perhaps this means that everything is much better because we have all got on our bike.

Mr Osborne made it clear that he has done so well that he is now able to benefit all hard working people. Well, not all hard working people. Hard working people with high incomes get absolutely nothing.

The chancellor tells us that the top 1% of earners now pay 30% of the tax, so you would think that he might at least be polite. If I had a business where 30% of my income came from 1% of my customers, I think I would be really nice to them. Funny that the Treasury does not see it that way.

There was not very much to get excited about on the private client front although, as widely predicted, capital gains tax is being extended to non-residents to a limited extent. It is proposed that from April 2015, future capital gains on UK residential property in the hands of non-residents will be chargeable to capital gains tax. There is no indication of which non-residents will be affected; individuals and trusts, I expect, because they have already done companies. Whether this refers to gains realised after April 2015 or to increases in value from that date is not clear – and whether there is a £2m threshold (and reliefs for let property) like there is for the ATED and SDLT is not known – but they will be telling us soon. The BBC described this as the 'oligarchs' tax', but I am not sure how many oligarchs would find anything suitable in central London for £2m.

From 2015, there will be a transferable married couple's allowance of £1,000 but only for those paying tax at the basic rate. I understand that Mr Cameron considers marriage to be a very good thing that needs to be encouraged, but apparently not if you are a higher rate taxpayer.

For some reason, the principal private residence exemption has found its way onto the chancellor's list of priorities and in particular the continuation of the relief for the last 36 months of ownership after you have moved out – giving a period of grace to sell the property without a charge to capital gains tax. From April 2014, this period is being reduced to only 18 months. I was not aware that this was a matter of any great concern in the corridors of power, but you live and learn.

The hostility towards tax schemes hots up still further, which is entirely understandable, but there is an increasing danger that ordinary and innocent transactions will get caught up in all this as collateral damage. That will be of real concern to those who regard the rule of law as a good thing.

Roll on next March, when I am sure Mr Osborne will have even better news.



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