



Please check your [\[return year from data file\]](#) Business Asset Roll-over Relief claim for the period [\[date from data file\]](#)

We're writing to you because you've declared a disposal of a residential property. You did this by submitting Capital Gains Tax summary pages with your Self Assessment tax return for the tax year ending [\[return year from data file\]](#).

Our records show that you have claimed business asset roll-over relief for a residential property. However, you can only claim roll-over relief on the disposal of a property that is used as part of your trade.

We want to help you get your tax right, so we're sharing the below information with you to help you understand the criteria for claiming roll-over relief for a residential property.

Claiming roll-over relief for a residential property

While profits from a rental business are calculated in the same way as your trade, we do not generally consider the letting of a residential property to be a trade. Therefore, roll-over relief does not apply.

What you need to do now

Please review the disposal of your residential property to make sure it meets the criteria to claim roll-over relief. If you're unclear what roll-over relief is and how it applies to your disposal, you may wish to seek professional advice. For more information and guidance, you can also, go to GOV.UK and search 'HS290'.

If you have an agent, we will send them a copy of this letter.

If you have made an error

You must let us know about any errors by submitting a disclosure using the Digital Disclosure Facility. To use this facility and find information on how to make a disclosure, go to GOV.UK and search 'HMRC disclosure service'.

If you make a disclosure, we will review your Self Assessment tax return. We may also charge you behavioural penalties. You can find more information about this in our factsheet CCFS9, 'The Human Rights Act and Penalties'. Go to GOV.UK and search 'CC/FS9'.

You will need to respond to us within 30 days of receipt of this letter.

Compulsory purchase circumstances

If you disposed of your property as part of a compulsory purchase and you want to, or have, claimed business asset roll-over relief, you will need to check that the disposal meets the criteria. You can check the criteria by going to GOV.UK and search for 'CG61900'.

If your return is correct

If you're happy the information on your Self Assessment tax return is correct, please email confirmation to us at [email TBC]. You must do this within 30 days of the date of this letter

If we do not hear from you by the above date, we'll make a decision based on the information we hold. We may need to raise an assessment. If we find that your Self Assessment tax return is incorrect, we will charge you penalties.

For help and advice

If you have any questions after reading our guidance, please contact us by:

- phone us on [phone number TBC] between 9am and 5pm, Monday to Friday - this line will close one month from the date of this letter
- email us at [email TBC] - before you contact us by email, please read the enclosed factsheet 'Corresponding with HMRC by email'

You can reply to our letter in writing using the address at the top of this letter. However, if you send us a letter, it will take longer for us to deal with you and send a response.

Please note that we cannot correct your tax return, or help you work out if you owe Capital Gains Tax, over the phone. For more information about Capital Gains Tax, go to GOV.UK and search 'Capital Gains Tax'.

For help to fill in your Self Assessment tax return correctly, go to GOV.UK and search for 'get help with Self Assessment returns'.

If you have any health or personal circumstances that may make it difficult for you to deal with us, please let us know. We'll help you in whatever way we can. For more information about this, go to GOV.UK and search for 'get help from HMRC if you need extra support'.

Yours sincerely

WMBC Wealthy

HM Revenue and Customs



Corresponding with HMRC by email

Use the following information to decide whether you want to deal with us by email. We take the security of personal information very seriously. Email is not secure, so it's very important that you understand the risks before you email us. We will not deal with you by email unless you tell us you accept the risks of doing so.

About the risks

The main risks associated with using email that concern HMRC are:

- confidentiality and privacy – there's a risk that emails sent over the internet may be intercepted
- confirming your identity – it's crucial that we only communicate with established contacts at their correct email addresses
- there's no guarantee that an email received over an insecure network, like the internet, has not been altered during transit
- attachments could contain a virus or malicious code

How we can reduce the risks

We'll desensitise information, for example by only quoting part of any unique reference numbers. We can also use encryption. We're happy to discuss how you may do the same and still give the information we need.

If you do not want to use email

You may prefer that we do not respond by email, for example because other people have access to your email account. If so, we're happy to respond by another method. We'll agree this with you either by telephone, or in writing via post.

If you do want to use email

If you would like to use email as one of the ways HMRC will contact you, we'll need you to confirm in writing by post or email (all of the following):

- that you understand and accept the risks of using email
- that you're content for financial information to be sent by email
- that attachments can be used

If you are the authorised agent or representative we'll need you to confirm in writing by post or email that your client understands and accepts the risks.

Please also:

- send us the names and email addresses of all people you would like us to use email with - for example, this could be you, your staff, your representative or your agent
- confirm you have ensured that your junk mail filters are not set to reject and/or automatically delete HMRC emails

How we use your agreement

Your confirmation will be held on file and will apply to future email correspondence. We'll review the agreement at regular intervals to make sure there are no changes.

Opting out

You may opt out of using email at any time by letting us know.

More information

You can find more information on HMRC's privacy policy. Go to www.gov.uk and search for 'HMRC Privacy Notice'.