



Dear Sir or Madam

Please make sure your clients' Inheritance Tax returns include details of their cryptoassets

We're writing to you as you have previously submitted or amended IHT400 returns on behalf of personal representatives. We'd like to remind you that cryptoassets count as property for Inheritance Tax (IHT) purposes. Property means all assets, including cash, stocks, shares, cryptoassets, land and buildings.

What you need to do

- 1 Please check with your clients, including estates personal representatives, to confirm whether they hold any cryptoassets.
- 2 Please make sure IHT returns contain details of those cryptoassets on the IHT400, 'IHT Account'. You should use Box 76 to report other types of assets, including cryptoassets. You should give more information about the cryptoassets in the 'Additional information' section of the IHT400.
- 3 If you find that a previous IHT return is incorrect, you or the personal representative will need to amend it. Please quote OTM000752 in the cover letter with the Corrective Account. For more information about this, go to GOV.UK and search 'Inheritance Tax: Corrective Account'.

If after reading this letter you think you need to make any changes to your previous tax declarations, you may still be able to make an unprompted disclosure. For more information, go to GOV.UK and search 'HMRC compliance checks factsheets', then choose 'Penalties'.

What the law says

The Inheritance Tax Act 1984 doesn't mention cryptoassets because it was written before they existed. However, Section 5 of the Act states that a person's estate is the total of all property they're beneficially entitled to.

Our Cryptoassets Manual sets out that cryptoassets are property for the purposes of Inheritance Tax. It explains their location, or 'situs'. For more information, go to GOV.UK and search 'CRYPTO25000' and CRYPTO22600. There's also more guidance about this in our IHT Manual. Go to GOV.UK and search 'IHTM04030'.

Contacting us

If you'd like to contact us, you can:

- call us on 03000 523 040 – lines are open Monday to Friday, 9am to 4pm
- email us at response.tldletter@hmrc.gov.uk

If you contact us, we can help you more quickly if you quote the reference number at the top of this letter.

More information

For more about how we tax cryptoassets, go to GOV.UK and search 'tax and cryptoassets'.

If any of your clients have not declared other income and gains from cryptoassets, you can use our disclosure service. Go to GOV.UK and search 'Tell HMRC about unpaid tax on cryptoassets'. Please note you cannot use this disclosure service for Inheritance Tax related disclosures.

We recognise the value of professional agents helping customers with their tax.

To help us improve customer service, please quote our reference number and provide a daytime phone number in any correspondence.

Yours faithfully

Wealthy Mid-Sized Business Compliance

Join the millions of taxpayers already using their Personal Tax Account to access a range of services. It takes just a few minutes to get started, go to www.gov.uk/personal-tax-account Or you can use the HMRC app.

To find out about the service and standard of behaviour you can expect from us, go to GOV.UK and search 'HMRC Charter'. For the standards tax agents are expected to follow, go to GOV.UK and search 'HMRC standard for agents'.



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.

About the risks

The main risks associated with using email that concern us 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 but still give us the information.

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 by 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:

- 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.

Also:

- send us the names and email addresses of all people you would like us to use email with - you, your staff, your representative, your agent, for example
- check 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

For more information about HMRC's privacy policy, go to [GOV.UK](https://gov.uk) and search 'HMRC Privacy Notice'.

HCPS Ref <i>(use if they've requested a tax reference from the list)</i>	N/A				
Our Ref <i>(can be fixed for all letters or from data file)</i>	CFS-2451022		Dictate 'Our Ref' label? If dictated, 'Our Ref' label to say:		
Your Ref <i>(can be fixed for all letters or from data file)</i>	N/A		<table border="1"> <tr><td>N</td></tr> <tr><td>N/A</td></tr> </table>	N	N/A
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Hide Phone number	N	Phone number if shown	03000 523 040		
Hide Opening hours <i>(N/A if phone number is hidden)</i>	Y	Opening hours if shown	N/A		
Hide Fax	Y				
Hide Web address	N	Web address if shown <i>(default is www.gov.uk)</i>	GOV.UK		
Hide Email address	N	Email address if shown	response.tldletter@hmrc.gov.uk		
Hide Office address	N	Office address if shown	Inheritance Tax HM Revenue & Customs BX9 1HT		
Hide SA / Service message	Y	Message to include if shown	Included in form		
Hide Charter/PTA message	Y		Included in form		
Embed or Link logo	'Link'				