

Please check your Investors' Relief claim for the year ending 5 April 2024

We're writing to you about your Self Assessment tax return for the tax year ending 5 April 2024. You've made a claim for Investors' Relief on your Capital Gains Tax (CGT) page of your tax return.

Qualifying for Investors' Relief

Investors' Relief is a CGT relief available on the disposal of shares in a trading company. We charge CGT on qualifying gains at 10%.

To be able to get Investors' Relief, you must have subscribed for shares that meet relevant qualifying conditions throughout the period you have owned them. You must have owned the shares for at least 3 years.

The main conditions are that:

- the shares are ordinary shares in the company
- you subscribed for the shares in cash and paid them in full when they were issued
- the company is a trading company or the holding company of a trading group
- none of the company's shares are listed on a stock exchange
- you or any person connected with you is not an employee of the company, or of a company connected with it
- the shares were issued to you on or after 17 March 2016
- you disposed of the shares on or after 6 April 2019

There is also a lifetime relief limit of £10,000,000 per person. This means that a person can't claim more than £10,000,000 Investors' Relief over their lifetime. This is regardless of how many claims a person makes and the number of years across which the claims are spread.

What you need to do now

Please review your share disposals and make sure that it meets the conditions above. If it doesn't, you need to amend your Self Assessment tax return for the tax year ending 5 April 2024.

For more information on the full criteria and guidance about Investors' Relief, go to GOV.UK and search 'HS308'.

You may wish to get advice from a professional tax adviser.

If you need to amend your tax return

If you need to amend your Self Assessment tax return for the year ending 5 April 2024, please do this within [30 days from the date of this letter](#)

If you don't amend your return and we believe the claim to Investors' Relief is incorrect, we may carry out a compliance check after this date.

For guidance about how to amend your Self Assessment tax return, go to GOV.UK search 'Self Assessment corrections' and choose 'If you need to change your return'.

If you've reviewed your claim and don't need to make an amendment to your Self Assessment tax return, you don't need to do anything.

What happens if you amend your Self Assessment tax return

If you amend your Self Assessment tax return:

- you may owe us tax - if you do, we'll charge you interest on any tax you pay late
 - for more information, go to GOV.UK and search 'Pay Self Assessment tax bill'

- we may owe you a refund - if we do, we'll repay you or credit your Self Assessment account

It's your responsibility to make sure your Self Assessment tax return is completed correctly.

If we carry out a compliance check and find your Self Assessment tax return is not correct, we may charge you penalties. For more information about inaccuracy penalties, go to GOV.UK search 'CC/FS7a' and read our factsheet 'Compliance checks for penalties of inaccuracies in returns or documents'.

As you didn't correct the return before we sent this letter, we'll treat any disclosure you make relating to the issue above as prompted. This may affect any penalties you have to pay. For more information, go to GOV.UK and search 'CC/FS7a'

If you do need to make a disclosure, you may want to find out more about your rights. Go to GOV.UK and search 'CC/FS9'.

For help and advice

If you have any questions after reading this letter, please contact us by:

- phoning us on 03000 575687 – this line is open Monday to Friday, 9am to 5pm
- emailing us at responseteam3@hmrc.gov.uk

Before you contact us by email, please read the enclosed factsheet 'Corresponding with HMRC by email'.

Please note that:

- we can't correct your tax return over the phone or help you work out if you owe CGT
- it might take us longer to reply to you if you send us a letter rather than an email

If you've authorised us to deal with your agent, we've sent them a copy of this letter. You may wish to discuss this letter with them.

For more information about CGT, go to GOV.UK and search 'Capital Gains Tax'.

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

You can get help from HMRC if you need extra support. For example, you may need information in a different format or need help filling in forms. Go to GOV.UK and search 'get help from HMRC if you need extra support'.

If you contact us, we can deal with you more quickly if you quote our reference number and provide a daytime phone number.

Yours sincerely

Wealthy and Mid-Sized Business Compliance