

Capital gains tax on UK property: 30 day property reporting service: an update

Personal tax

07 September 2021

HMRC have issued a Frequently Asked Questions (and answers) document for users of the UK capital gains tax property reporting service and further more detailed guidance is in progress.

In August's edition of Technical Newsdesk, we reported on the progress to date with resolving some of the large number of issues with the property reporting service used for '30 day' reporting of UK property disposals. Our engagement with HMRC is ongoing and, further to the workaround concerning repayment of capital gains tax (CGT) via self-assessment, HMRC have issued a 'Frequently Asked Questions' (FAQ) document which addresses, in part, some of our queries about the service.

The FAQ covers matters including:

- agent authorisation, including for estates;
- repayments and offsetting of in-year payments; and
- paper returns.

The FAQ also picks up some of the issues around estimates and amendments, but it does not cover in detail what the relevant legislation actually permits taxpayers to do. We have fed back our comments and HMRC have told us that they are in the process of looking at this area in more detail. Further guidance from HMRC is expected shortly.

HMRC are also working towards developing much fuller guidance on the service. ATT, CIOT and other professional bodies will be meeting with HMRC monthly between August and October to comment on the draft guidance as it evolves.

We are also continuing to raise issues as they arise with HMRC and we are grateful to members for reporting the problems that are being encountered in practice when attempting to file on behalf of clients. Please keep your comments and concerns coming, either sending them directly to us or posting them on the Agent Forum. On the Agent Forum, you can also see issues posted by other agents and any solutions which have been found. We hope that, in due course, the answers shared on the forum will be consolidated into the new guidance.

For more details regarding accessing the Agent Forum, please see www.att.org.uk/agent-forum.

Since the FAQ was published in July, a number of other issues have come to light including:

- Concerns that the 14 day payment window from receipt of a demand following submission of a paper return is too short. HMRC are considering this point, as we were previously advised that those reporting on paper would have 30 days from the issue of a demand to pay.
- How to report the income figure on the service when the individual has made chargeable event gains to which top-slicing applies.
- Further problems registering non-residents for the service.

The FAQ is not available on GOV.UK but can be found on the ATT website (see tinyurl.com/37eb9evp) and CIOT website (see tinyurl.com/maw3jv6k).