



Bright ideas
Bright people

Looking to the future





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The holiday's over

Gerry Jackson

Tax partner



Furnished holiday lettings

- Available for the general public > 140 days a year
 - And let for > 70 days
 - Problems with long lets, > 31 days
- Must be commercial, furnished, and holiday accommodation



The benefit

- It's treated like a trade
- Losses can be set against other income
- Pension contributions can be made out of profits
- Capital gains qualify for Entrepreneurs' Relief



The problem

- The rules say the property must be in the UK
- But that's discriminatory



The solution

- All EEA holiday property qualifies up to 5 April 2010
- None qualifies from 6 April 2010



That means...

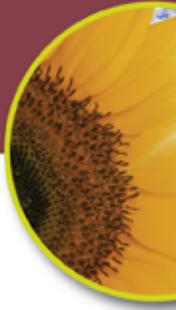
- You can claim losses on overseas (as long as in EEA) property lettings up to 5 April 2010
- You may want to consider bringing sale forward to get lower rate of CGT
 - 10% up to 5/4/10, 18% afterwards



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The next tax threat to the building industry



Employment v self-employment

- Construction industry has large number of self-employed subcontractors
- HMRC wants them treated as employees
- Employee + employer NIC



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HM TREASURY



**HM Revenue
& Customs**

False self-employment in construction: taxation of workers



Employee unless

- Provides materials; or
- Provides equipment; or
- Employs others