

June 2017

Dear Client

I am pleased to enclose our latest newsletter for your perusal, which reports on a number of important changes that are taking place within the industry, as well as enclosing our usual update on staff and markets. The remainder of this cover letter deals specifically with one of those changes.

For the last few years governments around the world have been working in ever closer union to fight the proceeds of crime being laundered, and to gather in their own taxes to reduce the effect of austerity for their own citizens. To this end HMRC have asked us to provide UK tax resident clients with the enclosed HMRC leaflet and this cover letter, which includes some prescribed wording, about your responsibility to report income wherever it arises in the world. New legislation has also been introduced that ensures the companies that provide your investments have higher reporting requirements.

Financial institutions in more than 100 jurisdictions around the world are being legally required to find out the tax residence of their account holders and report details of their accounts, structures, trusts, and investments to be exchanged with the appropriate tax authorities. As a UK tax resident, any overseas accounts you have will be sent to HM Revenue & Customs (HMRC). This gives HMRC unprecedented levels of information to check that, as in most cases, the right tax has been paid.

We are aware that some of our clients have overseas assets and/or income. Just in case some of you have such overseas assets or income that we are not aware of, we are sending this leaflet and cover letter to you all. This is our part in the process.

Please be aware that overseas assets can include offshore investments such as investment bonds and OEICs taken out in the UK. The annual valuation we provide will say if the holding is “offshore”. You may need to check your annual statements or original paperwork for items we do not manage for you. Note that the term “overseas assets and/or income” does not exclusively refer to investments.

If you have already declared all of your past and present income or gains to HMRC, including from overseas, you do not need to worry. But if you are in any doubt, HMRC recommends that you read the factsheet attached to help you decide now what to do next.

Please contact us or your accountant if you would like to discuss this further.

Yours sincerely



Daniel Wackett
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