

**Furnished Holiday Lettings (FHL) Proforma for
Transfer of FHL(s) into Trust before 6 April _____**

Section A: Owners

Owner 1

Owner 2

Surname

Christian Name(s)

Address

Postcode

Tel. No

Mobile No

E-mail

Date of Birth

Tax Office

Tax Ref. No

National Insurance No

Marital Status

Section B: Property (FHL)

Property 1

Property 2

Full Address

Postcode

Registered Title No
(if applicable)

Brief description of property
including any adjoining
land/outbuildings

Approximate current value £

£

Is property subject to a
mortgage? Yes No

Yes

No

If yes, please give details:

Mortgage company

Approx. outstanding
balance £

£

(NB: If O/S balance exceeds £125,000 the gift/transfer of the FHL into trust is likely to give rise to a stamp duty (SDLT) charge of at least 1% of the value of the property. We will confirm the exact amount of the SDLT charge in appropriate cases before any work is undertaken)

Section C: Trustees

Trustee 1

Trustee 2

Surname

Christian Name(s)

Address

Postcode

Tel. No

E-mail

Trustee 3

Trustee 4

Surname

Christian Name(s)

Address

Postcode

Tel. No

E-mail

(NB: You may appoint a maximum of 4 and a minimum of 2 trustees. The current owner(s) can be trustees if they wish)

Section D: Income Tax

Does the property qualify as an FHL under the existing income tax rules?

To do so:

1. It must be available for commercial letting as holiday accommodation for at least 140 days a year
2. It must actually be let as holiday accommodation for at least 70 days a year
3. It must not normally be let for a continuous period of more than 31 days to the same tenant

Yes

No

If no, explain why not:

(NB: If no, it is very unlikely that a transfer of the FHL into trust now will qualify for business property relief for inheritance tax purposes)

Are all owners happy to give up the whole of the rental income from the FHL(s)?

Yes

No

If no, do owners wish to transfer the FHL(s) into the trust at an undervalue?

Yes

No

If yes, please state price to be paid by the trust which will be left outstanding as a loan owed to the owner(s) £

(NB: Price should not exceed the original purchase price/acquisition value of the FHL to avoid an immediate CGT charge – see CGT section below. Nor should price exceed £125,000 or SDLT will be payable).

Who is to receive the future income from the FHL?

	Beneficiary 1	Beneficiary 2
Surname		
Christian Name(s)		
Address		
Postcode		
Date of Birth		
Relationship to owner(s)		
If more than one income beneficiary how is income to be shared?		
	Equally	Otherwise
If otherwise, please specify proportions below		
Who deals with the FHL's tax affairs?		
Insert details of FHL accountant if applicable		
Surname		
Christian Name(s)		
Name of firm		
Tel. No		
Email		
Are you happy for us to contact your accountant if we need to?	Yes	No

(NB: If no, please note that we cannot accept any responsibility for any loss or tax charge suffered as a result of HMRC successfully challenging the trading status of your FHL)

Section E: Capital Gains Tax

On what date did you purchase or acquire your FHL?

What was the purchase price or approximate value of your FHL
at the date of acquisition? £

Have you made significant CAPITAL improvements to your
FHL since you bought/acquired it? Yes No

If yes, please give approximate details of dates and amounts spent below:

If your FHL is to be sold to (rather than gifted into) the trust
please state the purchase price to be paid which must be less
than its original purchase price/market value at date of £
acquisition stated above (otherwise the transfer will give rise to
an immediate CGT charge)

Is a CGT holdover election to be made? Yes No

If no, state why not e.g. no gain

Section F: Inheritance Tax

How long have you owned your FHL?

(NB: If less than 2 years ownership BPR will not be available on a transfer of the FHL into trust now)

How many FHLs do you own?

If more than one are they all being given away? Yes No

If no, please state why not

What services do you provide to holidaymakers? Please specify below

How are services advertised to holidaymakers? E.g. is there a handbook?

Are services provided personally by you or via an agent?

Personally

Other family member

Professional agent

How close do you live to the FHL?

What is the approximate value of your estate £
including the value of your FHL(s)?

(NB: In the case of a married couple/joint owners please state the approximate combined value of your assets)

Have you set up any other trusts within the last 7 years? Yes No

If yes, please give details below e.g. dates, amounts transferred

I/WE **CONFIRM** that the information provided above represents an accurate and full description of the ownership and use of the FHL(s) referred to above.

I **AUTHORISE** Gabb & Co to prepare the legal documentation and associated Inland Revenue Forms required to transfer my FHL(s) into trust.

A * STRAIGHTFORWARD GIFT OPTION:-

I understand that Gabb & Co's fee will be 1.5% of the value of my FHL(s) plus VAT @17.5% and disbursements e.g. Land Registry Fee subject to a minimum fee of £3,000 if the value of my FHL is less than £200,000. Please tick here if minimum fee applies.

B * SALE AT UNDERVALUE OPTION:-

I understand that Gabb & Co's fee will be 2% of the value of my FHL(s) plus VAT @17.5% and disbursements e.g. Land Registry Fee subject to a minimum fee of £4,000 if the value of my FHL is less than £200,000. Please tick here if minimum fee applies.

*Delete option not required

Signed

Signed

Dated

2010

Dated

2010

(NB: If the FHL is jointly owned all joint owners must sign)

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