

# Book review

## Entrepreneurs' relief

**By Kevin Slevin**

**Published by Slevin Associates, loose leaf, 140 pages, price £120 (25% discount for small firms)**

It was late January 2008 when the bare bones of entrepreneurs' relief were thrown to the baying wolves of the small business community. Tax sages pronounced the relief to be the ghost of retirement relief, but when the draft provisions were fleshed out in the 2008 Finance Bill, entrepreneurs' relief was found to be far more than a zombie retirement relief; it has brought its own new nightmares.

Many of those difficulties are examined and dissected by Kevin Slevin in this first book to the market on entrepreneurs' relief. Although an early analysis of the new legislation, this book is not a brief summary. It comprises over 140 pages delivered in a loose-leaf binder for easy updating. Those who purchase before 31 July 2008 will also receive the first update to be published in November 2008, for no further charge.

The main chapters allow you to concentrate on the aspects of entrepreneurs' relief that are relevant to your particular client: sole trader, partner, shareholder or trust. There are also specific chapters on furnished holiday lettings and spouses (including civil partners). Each chapter is packed with examples and relevant excerpts from the HMRC manuals.

Although detailed HMRC guidance on entrepreneurs' relief has not been published, the existing commentary and

case law concerning the meaning of 'part of a business', as established for retirement relief are relevant to this new relief. Kevin looks at this issue in some detail.

The definition of trading company for entrepreneurs' relief has been lifted directly from the taper relief provisions, being: 'a company whose activities that do not include to a substantial extent activities other than trading activities'. So we will continue to struggle with the myth of more than 20% being 'substantial' as perpetrated in the HMRC manuals, and what 'activities' could possibly encompass.

There are many places in the entrepreneurs' relief provisions where the meaning is far from clear. A particularly tricky situation is where a trust has made a qualifying gain but it has more than one qualifying beneficiary, who have also made gains.

Kevin tried ringing HMRC for clarification on a number of areas, but clarity was not always forthcoming. In such cases Kevin provides his opinion based on many years of experience with the more established CGT reliefs. This in-depth knowledge is invaluable when examining the interaction of entrepreneurs' relief with losses and other CGT provisions, as covered in chapters 9 and 10.

This book is a very comprehensive guide to entrepreneurs' relief, which will certainly evolve as time moves on. Kevin has made a smart decision by choosing a loose-leaf format, as readers will be able to stay completely up to date without having to buy a whole new book each year.

*Reviewed by Rebecca Cave, director Taxwriter Ltd.*