



The 100 Group

Taxation Committee

Corporate Tax Team
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

18 August 2016

Dear Corporate Tax Team

REFORM OF THE SUBSTANTIAL SHAREHOLDINGS EXEMPTION

Whilst we welcome the opportunity to comment on HMT's above named consultation, we are concerned that there is a risk the current volume of consultations are overburdening the process. This is beginning to undermine the ability of business to contribute effectively to important issues.

Who we are

The 100 Group of Finance Directors represents the views of the finance directors of FTSE 100 and several large UK private companies. Our member companies represent around 90% of the market capitalisation of the UK FTSE 100 Index, and in 2015 paid, or generated, taxes equivalent to 14% of total UK Government receipts. Our aim is to contribute positively to the development of UK and international policy and practice on matters that affect our businesses, including taxation, financial reporting, corporate governance and capital market regulation.

Our views

The consultation suggests the objective of the proposed changes is to remove complex technical requirements that are redundant. We fully support removing complex technical requirements that are redundant, and believe this process should not be held up by a consultation process.

The rules on the 'Substantial Shareholding Exemption' are complex and we would like to see 'real' reform in this area. We believe the proposed changes do not go far enough to address these concerns. Any amendments to the SSE should be made to enhance the attractiveness of the UK as a place to do business. We believe the objective of any new or amended legislation should be to create simple, certain SSE rules with a wide application.

Yours sincerely,

Andrew Bonfield

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