



bright grahame murray
CHARTERED ACCOUNTANTS

Fact Sheet

14 MARCH 2022

Annual Tax on Enveloped Dwellings (ATED) Chargeable Period – 1 April 2022 to 31 March 2023

The annual ATED return 30 day filing window for the year ahead opens on 1 April 2022. These annual returns – including Relief Declaration Returns - must be filed by 30 April 2022.

The annual ATED tax charge for the year ahead is also payable by 30 April 2022.

ATED is an annual tax on 'high value' UK residential property owned by both UK and foreign companies, partnerships with a corporate partner and collective investment schemes.

A property is currently high value for ATED if it was valued at £500,000 or more either on 1 April 2017 or on the date of acquisition / completion if later.

High value UK residential property within ATED can include rental properties, valuable freehold interests and trading stock.

The amount of the annual tax charge depends on the value of the property on 1 April 2017 or on the date of acquisition if later.

Relief can be claimed from the annual tax charge (e.g. by property traders / developers, rental businesses) if certain conditions are met, but this claim must be made through the submission of an ATED Relief Declaration Return.

There are some exemptions from ATED for particular bodies (e.g. charitable companies, public / national bodies) if certain conditions are met. There are also some



particular types of living accommodation that are specifically excluded from ATED (e.g. hotels, student accommodation).

There are deadlines for reporting certain changes in circumstances (e.g. acquisitions and / or disposals) after the ATED return for the year ahead is filed. The earliest of these deadlines is within 30 days of the change.

Automatic penalties and interest charges will arise on late filing and late payment.

Next valuation date

Properties have to be revalued for ATED every five years and the next revaluation date is 1 April 2022. This valuation will determine for the five years from 1 April 2023 which properties are high value and also the amount of the ATED charge payable.

New valuations as at 1 April 2022 should therefore be obtained for UK residential properties owned at that date.

BGM can help you identify whether an ATED return is required and also where a relief may be claimed by a company, partnership (with a corporate member) and collective investment scheme, which owns high value UK residential property.

If you would like to discuss any ATED issues please contact your usual BGM advisor.



For further information, please contact Louise Delamere at louisedelamere@bgm.co.uk or your usual BGM partner.

Disclaimer: This information provides an overview of the issues considered and is for general information only. It is not intended to provide advice and should not be relied upon in any specific transaction.