Company Law and Governance Directorate
Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

By email: corp.redom@businessandtrade.gov.uk

19 June 2026

Dear Department for Business and Trade,

Re: UK Private Capital response to DBT consultation on UK corporate re-domiciliation regime

UK Private Capital is the association of the UK private capital industry. We represent 600 firms including the wider ecosystem of professional advisers and investors. Private capital consists of private equity and venture capital which make long-term investments to grow British businesses and build a better economy. Private credit and venture debt provide active and engaged debt finance to businesses.

The private capital industry backs 13,000 UK businesses, nine in 10 of which are small or medium-sized enterprises. Businesses backed by the industry employ 2.5 million people across the UK and contribute 7% to GDP. In 2025, £25bn was invested by private capital into UK businesses in sectors across the UK economy, ranging from consumer products to emerging technology. This increased investment has fuelled the growth of businesses across the UK, with more than half (57%) of the businesses backed in 2025, located outside of the capital.

UK-based private capital specialists have raised £190bn of funds, known as dry powder, which is expected to be invested over the next three to five years. The industry invests for a better future by backing some of the UK's best loved businesses, developing the companies of the future and delivering solutions to global problems.

UK Private Capital's position

We welcome the opportunity to respond to the consultation, and rather than commenting on the details of the new regime, our response is of an overarching nature. We support the Government's proposal to establish a UK corporate re-domiciliation regime and encourage it to set out clear plans for establishing this framework without delay. We think this will help to strengthen the UK's corporate environment and enhance its attractiveness as a destination for investment.

We recognise and support the Government's objective of driving investment and economic growth, and we align with the potential benefits that a corporate re-domiciliation regime could bring in creating new opportunities and improving access to capital. While we are pleased that an independent expert panel has been established to develop recommendations, progress to date has been slow. Given that the Government initially explored this proposal in 2021 and has

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now revisited it, there is a clear need to accelerate progress and provide greater clarity on the timeline for introduction.

We are firmly of the view that the case for a re-domiciliation regime is well-established and that proceeding with it is in the UK's interests. Introducing the regime would bring the UK into closer alignment with a number of comparable international jurisdictions, including Canada and Singapore, who already operate similar frameworks. This would offer companies a credible route to establish a long-term presence in the UK without the need for complex and costly restructuring. Preserving legal continuity could materially reduce disruption for companies and their counterparts compared with alternative restructuring options.

The regime would address real practical challenges faced by many companies. While it is already possible to establish UK tax residence – and a number of businesses, including listed groups and investment structures incorporated in jurisdictions such as Jersey or the Cayman Islands, have done so – aligning place of incorporation with tax residence remains significantly more complex and costly. A well-functioning regime would provide a more efficient solution, and we expect that some businesses would move quickly to make use of the regime if legislation were passed.

For the regime to be effective, the Government should consider the following factors:

- **Companies that re-domicile should be treated consistently with those incorporated in the UK from the outset**. The same standards, processes and requirements should apply, with any additional steps limited strictly to what is necessary given the cross-border nature of the transaction. There is no compelling basis for distinguishing re-domiciled companies – whether in registration numbering, regulatory expectations or ongoing obligations – where their situation is substantively equivalent to a company that has always been UK incorporated.
- **The Government should ensure that the tax treatment of re-domiciliation and the company law framework are straightforward to comply with.** Detailed tax proposals and draft HMRC guidance should be published and consulted on before the wider framework is finalised, so that the regime is clear and well understood, and takes account of feedback from businesses that will need to implement the rules in practice. Without this, companies may conclude that existing routes, however cumbersome, remain preferable.
- **The framework must build in adequate flexibility around timing.** Elements of the process will inevitably depend on third parties or overseas registries, and companies should not face automatic adverse consequences where delays arise for reasons outside their control. If implementation becomes overly procedural, companies may conclude that traditional restructuring remains easier.

We support the direction of travel taken by the Government and the work of the independent expert panel. As there is clear readiness among businesses to proceed, we would strongly encourage the Government to set out a clear timeline for implementation and prioritise this legislation. Further delay risks maintaining the current inefficiencies and leaving the UK at a disadvantage relative to jurisdictions where equivalent regimes are already in place and operational.

UK Private Capital remains willing to engage further as the proposals develop and to share practical insights where they would be helpful. If you have any questions or would like to discuss any of the above in more detail, please do not hesitate to contact Rachel Gauke, rgauke@ukprivatecapital.co.uk and Ciaran Harris, charris@ukprivatecapital.co.uk.

Yours faithfully,

Isobel Clarke

Director of Policy, UK Private Capital