



## Open Letter

### *Life Science - Save CGT Relief*

We unanimously believe that taper relief should be left at 10% for founders and start-up staff and urge you to support our *Life Science – Save CGT Relief* campaign.

No doubt you will be aware of the proposed changes to Capital Gains Tax (CGT). Most of the responses made by BVCA and others to date have represented the views of larger companies and Private Equity houses.

Whilst this is important, Lord Sainsbury has suggested that changes to this proposal are only likely to be considered if the views of smaller SMEs and entrepreneurs are put forward. With Lord Digby Jones of Birmingham also suggesting that the views and voices of those who start technology businesses, take risks, create jobs and generate wealth, are needed, we are writing to you to urge you to sign our *Life Science - Save CGT Relief* [petition](#) and take part in our [survey](#).

Option schemes are an integral part of a small company's ability to remunerate founders, staff and key consultants to levels that are competitive. Commercialising a technology from a university laboratory spin-out involves vision, commitment and often accepting a personal risk from founders and early stage employees. To attract the best talent many of us have Option schemes whilst others have plans for such schemes to ensure long-term staff commitment. Option schemes form a significant part of the overall remuneration package – especially for start-ups.

It is critical that UK Life Science companies continue to be formed around the investors that believe in them if commercial opportunities are to be realised and UK plc is to remain at the forefront of global scientific innovation.

We are certain that the implications of the proposed changes have not been thought through adequately and believe that the level of taxation for entrepreneurs and smaller investors should not be set at the same level as much larger private equity firms and businesses.

To encourage the Government to maintain Capital Gains Tax Taper Relief at its current level, please sign the *Life Science - Save CGT Relief* [petition](#) and fill out our [survey](#). We also urge you to circulate this invitation to voice your opinion to founders and investors in other technology businesses and if possible link to the petition from your websites.

Thank you very much for your support!

Mark Tucker, CEO, G-Nostics Ltd  
Richard Anderson, CEO, De Facto Communications Ltd  
Sir Roger Jones, O.B.E., NED Zoobiotica Ltd, Phytovation Ltd, BioFuels Wales Ltd, Source 42, Alzeim Ltd  
Timothy Haines, Partner, Abingworth Management Ltd  
Nigel Parker, CEO, Ark Therapeutics Group plc

Doug Richard, Chairman, The Library House Ltd  
Edward Mott, CEO, Oxford Capital Partners Ltd  
Mark Goble, CEO, Rhytec Ltd  
Max Bautin, Partner, IQ Capital Partners LLP

Petition:

<http://petitions.pm.gov.uk/sme-CGT-relief/>

Survey:

[http://www.surveymonkey.com/s.aspx?sm=FBwQvPgeFCVCXZmZIDt\\_2fhA\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=FBwQvPgeFCVCXZmZIDt_2fhA_3d_3d)