# Billionaire David von Rosen criticises UK tax policies amid exodus of wealthy residents



Billionaire businessman David von Rosen has expressed strong criticism of the UK government's recent decision to abolish the non-domiciled tax regime, attributing the resultant exodus of affluent individuals from Britain to this policy change. Von Rosen, a German national residing in Dubai, cautioned that the ultra-wealthy are now approaching the UK with heightened trepidation due to increasing tax rates and unfavourable fiscal policies.

According to Henley & Partners' latest report, London has witnessed a significant outflow of its wealthy residents, with 11,300 dollar millionaires departing the city in the past year. This exodus includes 18 centimillionaires—those with fortunes exceeding $100 million—and two billionaires. The changes to the non-dom tax scheme, implemented last October, have been cited as a primary factor in this demographic shift.

Historically, non-domiciled UK residents could pay a fee ranging from £30,000 to £60,000 to avoid taxation on their foreign income. However, under the revised rules, these individuals can now enjoy full tax relief for their first four years of residency in the UK, after which they will be liable for tax on all income, both domestic and foreign. Von Rosen remarked on the implications of such policies, stating, "Between capital gains tax and the non-dom taxation, it is a very stupid thing to do. People will turn their back on their own country and move away and that is never good."

The cancellation of the non-dom regime has caused London's standing among global cities for the super-rich to drop significantly. It is now positioned outside the top five cities with the most affluent residents and has seen a 12% decline in the millionaire population over the last decade. Alongside Moscow, which has also experienced a decrease in wealthy inhabitants since 2014, London is now seen as an unfavourable destination for the super-rich.

Mr von Rosen, who initially gained recognition in the student finance sector before founding the successful fashion label VONROSEN, recently commented on the implications of high taxes on his decision to reside and invest predominantly in Dubai and Switzerland, where tax rates are more appealing for investors. He stated that he often travels to London, expressing admiration for the city, but he emphasised that the current tax environment is a deterrent.

He has called upon Labour Party leaders Keir Starmer and Rachel Reeves to reconsider the government's tax policies and noted that while some aspects of the non-dom regime may be perceived as inequitable, competitive tax structures are crucial for attracting and retaining wealthy individuals. "You have to understand that there is worldwide competition - we live in a globalised world," he explained in an interview with MailOnline.

The billionaire suggested that awareness of the social climate in the UK is also influencing the migration of wealthy citizens. He pointed to the public perception of wealth and the resultant behaviours, claiming, "Jealousy gives people a reason to turn their back," further asserting that such a mindset contributes to the overall caution expressed by potential investors.

Von Rosen concluded his remarks with a plea for policy reconsideration, suggesting a focus on enhancing the UK's attractiveness to start-ups and investors. He outlined the importance of fostering a "functioning market for startups," stressing the long-term economic consequences of short-sighted tax policies. His comments come amidst ongoing discussions about amending the Finance Act to adapt to these changing dynamics in wealth management and taxation.

The Treasury has yet to respond to these assertions.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.thenationalnews.com/news/uk/2024/10/30/budget-rachel-reeves-tax/> - This article supports the claim about the abolition of the non-dom tax regime and its replacement with a residence-based scheme. It also highlights the potential economic impacts of such policies on businesses and investors.
* <https://www.courts.michigan.gov/492eca/siteassets/publications/benchbooks/evidence/evidbb.pdf> - Although not directly relevant to the UK tax policies, this source does provide information on legal and evidence procedures, which can be tangentially relevant to discussions around policy enforcement.
* <https://www.wealthbriefing.com/html/article.php/Advisors-Shrug-Over-UKs-Softer-Stance-On-Non_dom_Abolition> - This article corroborates the concern among wealth advisors and clients about the UK's tax policy changes, particularly the implications of the non-dom regime abolition.
* <https://www.thenationalnews.com/news/uk/2024/10/18/scrapping-non-dom-status-could-cost-uk-tens-of-thousands-of-jobs/> - This article provides insight into the potential economic consequences of scrapping the non-dom status, supporting claims about job losses and economic impacts.
* <https://www.federalregister.gov/documents/2024/04/22/2024-07496/guidance-for-federal-financial-assistance> - This document is unrelated to the specific claims in the article, but it discusses federal financial assistance and regulatory guidelines.