# Canadian billionaire leaves UK as non-dom tax reforms drive wealthy exodus



A prominent Canadian entrepreneur and reality television star, Dr Ann Kaplan Mulholland, has departed the UK in response to the abolition of the non-domiciled (non-dom) tax status, a move that has sparked discussions about its implications for the country’s appeal to wealthy individuals. With a reported net worth of £500 million, Dr Kaplan Mulholland expressed strong criticism towards Labour's Shadow Chancellor, Rachel Reeves, regarding what she termed an "astronomical error" in attempting to increase taxation on high-net-worth individuals.

The changes to the non-dom regime have been influenced by proposals originally tabled by Conservative Chancellor Jeremy Hunt, and involve adjustments that require non-doms to pay UK tax on their global income after a short amnesty period. Many wealthy individuals, including Dr Kaplan Mulholland and her husband, Stephen, a former plastic surgeon, have expressed concerns that such changes could compel them to relocate abroad, thereby removing their spending and investing power from the UK economy.

The couple had previously enjoyed non-dom status for three years, investing approximately £25 million in the renovation of the medieval Lympne Castle in Kent, which they acquired for £5.5 million. Despite their intention to make the UK their long-term home, Dr Kaplan Mulholland cited the potential inheritance tax liabilities on their estate—estimated to cost hundreds of millions of pounds—along with increases in taxation on foreign earnings as pivotal reasons for their departure.

Speaking from her penthouse in Las Vegas, where she plans to relocate, Dr Kaplan Mulholland stated, "It doesn't make any sense. We're not unwilling to pay taxes; we do pay taxes in the UK, we employ over 100 people." She emphasized her belief that the current taxation approach signals to wealthy individuals that they are not wanted in the UK.

Reports indicate a broader trend, with estimates suggesting that the number of non-doms may decline by 12% this year and 'deemed domiciled' individuals by a quarter, as the country appears to be experiencing a net loss of affluent residents. Dr Kaplan Mulholland pointed to research indicating that around 11,300 dollar millionaires left London within the last year, aligning it with reports from New World Wealth that suggest London is one of the few major cities experiencing a decline in wealthy residents.

Dr Kaplan Mulholland has proposed a tax structure akin to that in Italy, where non-doms can protect their foreign income by paying a flat fee. She argued that an approach of this nature could generate substantial income for the UK Treasury while still attracting wealthy individuals. “If the UK brought in an Italy-style regime, those 74,000 non-doms would bring in a hypothetical £14 billion a year in flat taxes,” she claimed.

The UK government's perspective remains steadfast, asserting that its tax system is fair and progressive. A Treasury spokesperson stated, "The UK's main capital gains tax rate is lower than any other G7 European country... and our new residence-based regime is simpler and more attractive to new arrivals than the non-dom regime it replaces."

As the deconstruction of the non-dom status unfolds, the long-term ramifications on the UK economy remain to be seen, particularly in light of the rapidly changing landscape for high-net-worth individuals. Dr Kaplan Mulholland's transition to Milan, where she and others with substantial wealth find taxation more accommodating, underscores the increasing choices available to the wealthy in an interconnected global economy.

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

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