# Billionaire criticises UK's tax reforms as wealthy exit London



David von Rosen, a billionaire businessman originally from Germany, has expressed strong criticism of the UK's recent tax reforms, particularly the abolishment of the non-domiciled (non-dom) tax regime. Speaking to MailOnline, von Rosen stated that Britain has only itself to blame for the departure of many wealthy individuals, as rising tax rates are increasingly causing the ultra-rich to reconsider their business ties to the UK.

According to Henley & Partners’ annual report, the last year has seen a decline in the wealthy population in London, with an estimated 11,300 dollar millionaires leaving the city. This group includes 18 centimillionaires, who possess over $100 million, as well as two billionaires. The loss of affluent individuals has left London trailing behind in a global competition for wealthy residents, dropping out of the top five cities frequented by the super-rich. In the past decade, the number of millionaires in London has decreased by 12 percent, from 245,100 to 215,700.

David von Rosen, the founder of the online gambling firm Lottoland, currently resides between Dubai and Switzerland, choosing to invest approximately $200 million in property in Dubai due to its favourable tax climate. He remarked, “I’m a big fan of London and the UK. I frequently travel there, but looking at how the wealthy and the very wealthy are being taxed, it is strange and stupid.” He highlighted a growing trend of wealthy individuals shifting their focus towards cities with lower taxes, such as Dubai and the United States.

The changes to the non-dom regime, confirmed last October, ended the option for non-dom UK residents to pay a fee of £30,000 or £60,000 to avoid taxation on foreign income. Previously, this tax advantage allowed them to reside in the UK without being taxed on their earnings generated outside the country. Now, new rules mean these individuals will have a relief period of just four years before facing full taxation on their global income.

Von Rosen has called on political leaders, including Keir Starmer and Rachel Reeves, to rethink the changes to the non-dom tax scheme. He commented on the competitive nature of global tax regimes: “You have to understand that there is worldwide competition – we live in a globalised world and if they don’t go to the UK they will go elsewhere.”

Alongside the concerns over non-dom taxation, von Rosen pointed to adjustments made to capital gains tax as another reason for the apprehension surrounding investments in the UK. He noted, “With the current government, I would be very careful of investing more,” suggesting that the tax implications could deter both wealthy individuals and successful entrepreneurs from operating within Britain.

Despite identifying some unfairness within the non-dom scheme—citing his own lower tax responsibilities compared to Swiss citizens—von Rosen believes that effective competition in tax structures is vital for retaining wealth in the UK. He mentioned that individuals feeling vilified for their successes might further fuel a quiet exodus from the country, stating, "I find that jealousy gives people a reason to turn their back.”

Moreover, von Rosen reflected on a general atmosphere of apprehension among the super-rich within the UK, with incidents of crime, including those involving luxury items, further influencing their reluctance to remain. He illustrated the difference in attitudes between the UK and other cities by referencing the prevalence of ostentation in Dubai: “In Dubai you do see pink Ferraris and golden Lamborghinis, and that's good, people like to show off. It creates an atmosphere of motivation – people want to work more.”

As the ramifications of the altered taxation policies continue to unfold, von Rosen emphasised the need for a proactive approach towards maintaining a thriving business environment in the UK, warning that short-term gains from higher taxes could result in substantial long-term losses for the economy. The Treasury has been approached for comment regarding von Rosen's assertions and the current tax landscape for the ultra-wealthy in the UK.

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

## References

* <https://www.thenationalnews.com/news/uk/2024/10/30/budget-rachel-reeves-tax/> - The article provides context on the recent UK budget by Rachel Reeves, which includes changes in tax policies such as increasing employers' national insurance contributions and adjustments to capital gains tax. These changes are affecting business decisions and the attractiveness of the UK for foreign investment.
* <https://www.ifs.org.uk/sites/default/files/output_url_files/mirrlees_dimensions.pdf> - This Institute for Fiscal Studies report discusses tax design and reform in the UK, highlighting how tax structures influence economic decisions, including those of wealthy individuals who might consider leaving due to changes in tax policies.
* <https://en.wikipedia.org/wiki/Henley_%26_Partners> - Henley & Partners is known for publishing reports on global wealth migration patterns. Their annual reports often highlight trends in the movement of wealthy individuals, which can be influenced by changes in tax policies like those in the UK.
* <https://www.theguardian.com/uk-news/2024/oct/28/uk-budget-2024-rachel-reeves-tax-changes> - This article from The Guardian provides additional details on the tax changes announced in the UK budget, including the abolition of the non-domiciled tax status and increases in capital gains tax, which are impacting the decision-making of wealthy individuals.
* <https://www.bbc.com/news/business-66139467> - This BBC article discusses how changes in UK tax policies are affecting business and investment decisions, echoing concerns about the competitiveness of the UK's tax environment for attracting and retaining wealth.