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Technology Investment is Booming in the UK - Why Should You Be Speaking to Dixcart?

By **Paul Webb**, 27th January 2020

The UK remains to be a favoured place for technology start-up companies, with investment growth continuing to outpace many other major economies.

According to the Government backed 'Tech Nation Dealroom', British technology start-ups raised $13.2 billion in 2019, an increase of 44% compared to 2018.

Eric Schmidt, who was the Chief Executive Chairman of Google for six years to 2017, stated; "Britain is a particularly good platform to do global things. There's enough 'Unicorns' (that is start-ups worth $1billion) here that the system will generate enough learning to continue to generate more capital. Markets are accessible. You have a real asset here. Don't screw it up."

Sarl Blevin, co-founder of Lovefilms said; "The secular wave of technology is so huge, its beyond Brexit. If you look at the numbers since the country voted 'leave' in 2016, every year there has been a record: more money has gone into the sector, more jobs have been created."

Dixcart Comment

When individuals or companies invest in the UK, whether in tech companies or otherwise, among the factors that they take into account, are the tax implications.

The UK is extremely competitive, with key factors including:

- Its corporation tax regime, with a main rate currently set at 25%.

- Significant tax credits for research and development.
- No withholding tax on dividends.
- No capital gains tax on gains made by non-UK residents on the disposal of shares held in UK companies (other than real estate companies).
- Income tax and capital gains tax reliefs for UK resident 'seed' investors.

Other reasons why the UK is an attractive jurisdiction:

- A stable legal and regulatory environment.
- Transparent, flexible corporate law and governance that makes it easy to do business.
- The top-rated major European economy for attracting talent with one of the largest labour forces in Europe, and lower labour costs than Italy, France or Germany.
- An encouragement of innovation as well as opportunities for entrepreneurs and employees to move to the UK, please see: IN629: UK Immigration – A Summary of Key Changes 2019.
- A large network of experienced professional advisers.

Further Information

Any one of our professionals at the Dixcart office in the UK, would be delighted to explain more – as to why the UK is an attractive location for companies, the tax benefits, and the opportunities available to innovators in terms of re-locating to the UK.

Please contact: advice.uk@dixcart.com.