

Rt Hon Rachel Reeves MP  
Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

16 May 2025

Dear Chancellor,

We wish to express our grave concern over the government's lack of transparency in its reform of Business Property Relief (BPR) and Agricultural Property Relief (APR).

Amongst a raft of ideas proposed for finessing the policy to ensure it meets its stated objectives whilst avoiding irreparable damage to the family business community, many industry bodies proposed an alternative, known as the 'clawback' option. This would tax business assets at the full 40% inheritance tax rate if sold by a family successor within seven years of the owner's death.

On 4th March, the Exchequer Secretary to the Treasury responded to a written Parliamentary Question, stating that this option had been considered but would raise "much less" than current proposals.

The Country Land and Business Association (CLA) then submitted a Freedom of Information Request, asking for the basis of that conclusion. The government's response of 24th April claimed releasing the information would not be in the public interest.

The stated rationale was to preserve a 'safe space' for policy development. Yet ministers, including the Prime Minister, have repeatedly stated in Parliament that the policy is final and will not change.

A recent study by Family Business UK—supported by the undersigned—found the reforms could threaten over 200,000 jobs, reduce tax revenue by £1.9bn, and cut almost £15bn in economic activity by the end of this Parliament. Government's inheritance tax reforms will clearly affect the whole country's economy. Publishing the requested information is, therefore, surely in the public interest.

We are concerned that this study has been repeatedly dismissed by Ministers, despite being based on robust data from thousands of businesses. Moreover, Ministers continue to cite the Office for Budget Responsibility's support, despite the OBR calling the government's figures "highly uncertain."

This undermines trust in policymaking. Therefore, we ask you to publish the UK Government's analysis of its IHT reforms and the clawback alternative to allow for proper public scrutiny.

It is not too late to change course and build a constructive relationship with the family business community. We request a meeting with a delegation of the undersigned to discuss this issue, but also to explore how economic growth might become possible.

Yours sincerely,

**Victoria Vyvyan**, President, Country Land and Business Association

**Tom Bradshaw**, President, National Farmers Union

**Neil Davy**, Chief Executive, Family Business UK

**George Dunn**, Chief Executive, Tenant Farmers Association

**Debbie Walker**, Director General, British Holiday & Home Parks Association

**Ben Cowell**, Chief Executive, Historic Houses

**Fran Barnes**, Chief Executive, Horticultural Trades Association

**Andrew Judd**, Chief Executive, National Association of Funeral Directors

**Sue Robinson**, Chief Executive, National Franchised Dealers Association

**Emma Mosey**, Chair, Farm Retail Association

**Rob Driscoll**, Director of Legal and Business, Electrical Contractors' Association

**Chris Cassley**, Policy Director, Construction Plant-hire Association