

ALMR MATTERS

- **Capital Gains Tax Taper Relief:** the Chancellor's Pre-Budget Report on 10 October announced the abolition of Capital Gains Tax Taper Relief from April 2008. Instead of the profit from sales of long-term assets being taxed at 10%, from April 2008 they will attract a flat rate 18% tax rate. The proposal was designed to tackle concerns about private equity funds and has been hailed as a tax simplification measure, but it will act as a disincentive to start up, investment and entrepreneurship and will hit the pub and bar sector hard.

Because of the impact of this change on members' business planning and investment decisions, we have written in the strongest terms to the Chancellor and other members of the Government. You can see a [copy of our letter](#) on the website. We have also lent our support to the campaign against the change being led by the CBI, IoD, FSB and BCC.

If we are to force a Government re-think, we need members to get involved in the campaign too. Please use our letter to write to your own MP explaining what the change will mean to your business and employment in their constituency. You can also sign up to our [on-line petition](#) against the change on the Number 10 website.

The British Hospitality Association is leading the trade's fight on another aspect of the Pre-Budget Report's proposed changes – the withdrawal of Hotel Buildings Allowance. If members are affected by this, please contact the office.

- **BSkyB – the campaign continues:** since 2000, the ALMR has been at the forefront of legal action to address BSkyB's control over the market for live sports broadcasting to pubs and bars and their pricing policy. We have already submitted two substantive complaints to the OFT – and we are now in the process of launching a major new action with OFCOM.

Earlier this year, Sky's principal broadcasting competitors – Virgin Media, BT, TopUpTV and Setanta – submitted a complaint to the regulator about the terms on which Sky supplied them with programming and the state of competition in the market. OFCOM is now investigating the wholesale supply of broadcast rights by Sky to a range of competing platforms and we are submitting a separate complaint about the impact this has on commercial customers. The complaint will focus on the effective lack of competition at a retail level – Sky refuses to supply some customers and its pricing policy has seen Virgin exit the market on the grounds that it cannot supply commercial customers on economic terms. The effect of this is to allow Sky to market its services aggressively, impose high price increases and stringent contract terms.

We will meet OFCOM officials to discuss the complaint early next month.

For news and information on these and other issues – together with details of forthcoming events – visit our website www.almr.org.uk

Friday 19th October 2007