The Rt Hon John Healey MP
Chancellor of the Exchequer
1 Horse Guards Road
London
SW1A 2HQ

14th September 2026

Trade Association open letter on the Family Business Tax

Dear Chancellor,

Britain's family businesses are the lifeblood of the economy, the regional powerhouses that can lead this Government's vision of growth and regeneration. With the right support they can give you the keys to revitalise the economy and unlock the jobs and growth our country needs.

But family businesses have been penalised by the choices made by the previous Chancellor - forced to compete with one hand tied behind their back by the decision to change long-standing Business Property Relief and Agricultural Property Relief.

It remains the single most damaging policy change enacted by this Government for private and family-owned firms. It has created a two-tier tax system that penalises long-term stewardship and patient investment in both people and place forcing family business owners into unpalatable choices.

This change has already led to reduced or cancelled investment and recruitment freezes, and we will see forced sales of part or entire businesses (likely to foreign-owned rivals who will not have to pay this tax and have no interest in our communities).

These outcomes cannot be ones that a Government that seeks growth across the whole of the UK can support. This policy will penalise communities up and down the country that depend on British family businesses.

Now is the time to rethink policy choices. To reset with a new direction - one that works with, not against, UK family businesses.

Almost four in five family businesses are based outside London and the South East with the North West and East of England having particularly high numbers. Their long-term stewardship and commitment to the communities they serve makes them a critical part of our social and economic fabric, and one of this country's greatest assets.

Together, our organisations represent over 200,000 businesses in every corner of the UK and sector of the economy from retail to construction, IT, hospitality, horticulture, agriculture, food manufacture and logistics - the very sectors we need as part of a thriving economy.

Immediately reversing this policy change would give British family businesses, and the millions of people whose livelihoods depend on them, the confidence of knowing they are supported by a policy environment that motivates them to succeed and support the communities that, in turn, support them. Indeed, not overturning this decision risks any chance at growth before you even begin.

As leading representatives of UK trade associations, and on behalf of our Members and their employees, we extend an open invitation to you and your team to work with us on doing just that.

Sincerely,

Neil Davy, Chief Executive, Family Business UK
Kate Nicholls OBE, Chair, UKHospitality
Isabella Murfin, Chief Executive Officer, Countryside Land and Business Association
Glyn Roberts, Chief Executive, Retail NI
Debbie Walker, Director General, British Holiday & Home Parks Association
Andrew Goodacre, Chief Executive, British Independent Retailers Association
John Newcomb, Chief Executive, Builders Merchants Federation
Suzannah Nichol OBE, Chief Executive, Build UK
Ben Cowell OBE, Director General, Historic Houses
Steve Richardson, General Manager, British Home Enhancement Trade Association
Richard Smith, Managing Director, Road Haulage Association & Chair of the Trade Association Forum
Karen Dear, Chief Executive Officer, Craft Bakers Association
Robert Sheasby, Chief Executive, Agricultural Industries Confederation