



Monaco is a favoured haven for the rich. Paul Finch says Britain's new tax regime has led to an exodus that has hit the high-end property market

VICKI COUCHMAN FOR THE TIMES

The jewellers and estate agents hit by wealthy quitting Britain

Millionaires are leaving in record numbers in search of more generous tax regimes, leaving luxury trades nervous about the future

[Tom Saunders](#)

Friday January 17 2025, 10.00pm, The Times

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Hirsh London is a family-owned luxury jeweller that has been selling handmade rings, necklaces and bracelets in London for 40 years. It quickly found success — and fame — with the family's first boutique, which opened in Hatton Garden in the late 1980s, featuring in Guy Ritchie's crime comedy *Snatch*.

However, Sophia Hirsh, who owns the business, is concerned that changes to the UK's non-dom regime might mean that the future of her business will be outside Britain.

“If suddenly all the incentives for wealthy individuals and wealthy families to spend time in the UK disappear, then all the wider economy that benefits from this will also go — and we will be affected as well,” Hirsh said.

“We’ve had five years of policies that have not been beneficial to business. We have no choice now but to look to divert investment into international growth and to expand elsewhere, because we don’t see any willingness to let us thrive.”



Sophie Hirsh and a selection of her jewellery, below

DAVID BEBBER



Hirsh is not alone in her concern.

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Melina Fenby, of Maya Magal, another luxury jeweller with a number of outlets in London, said: “[The changes] definitely could impact us because of the high-priced items we sell and the fact we are a premium brand. We will see a loss of those high-spending customers for sure, especially with the fine jewellery that we do, with the gemstones and the bespoke services we offer.”

The end of the nom-dom regime comes amid a wider downturn in the retail industry that has had to weather other changes, such as the abolition of tax-free shopping for tourists in 2021. In October last year, Selfridges said it had lost more than £400 million since it last made a profit before tax in 2020. At the same time, Farfetch, the online luxury retailer, narrowly

avoided bankruptcy in December 2023 and has had to shutter parts of its business since.

However, [the exodus of wealth](#) is not just affecting retail. Paul Finch, the director of Beauchamp Estates, an upmarket estate agent, said that the imminent demise of the non-dom regime was already hitting London's ultra-prime housing market.

He said: "We are seeing an outflow of ultra-high net-worth individuals, historically from or based in the UK, looking to move offshore and relocate to wealth hubs including Dubai, - Monaco and the French Riviera."



Paul Finch says the outflow of the super-rich is already hitting London's top-end property market

VICKI COUCHMAN FOR THE TIMES

During 2024 the super-prime market, defined as homes costing more than £15 million, experienced a 25 per cent drop in unit sales and a 34 per cent drop in the value of property sold. The slump comes as Britain lost a record 10,800 millionaires over 2024 according to Henley & Partners, the residency advisory company.

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London's world-famous art market is also fretting over the exodus. Charlotte Stewart, a former director at Christie's and managing director at MyArtBroker, which specialises in blue-chip artworks, said the middle market was most exposed.

"It's heavily affected by changes in inheritance tax and around non-dom status, because almost all families at that wealth level are international these days — and people can buy art internationally as well," Stewart said.

The revised non-dom regime will only allow individuals coming to the UK to avoid paying duty on foreign income and gains for the first four years of their UK tax residence. This threatens parts of the economy that have prospered on the basis that wealthy individuals choose the UK as a place to live permanently, particularly as individuals face after ten years the prospect of inheritance tax charges on all their worldwide assets.

London's army of tax and legal advisers could also be at risk. Lawyer Matthew Sperry, a partner at Katten Muchin Rosenman, which advises ultra-high net-worth individuals, says the capital is "probably the most mature market" in the world. He explained: "I'm a US lawyer ... most of my clients are outside the US, and London's a great place to sit for what I do because it's such a hub of international private wealth."

But he added: "I do wonder what the UK private client industry looks like more than five years from now, because you have a lot of great lawyers and great firms who have built huge practices based upon international wealth. When those people aren't coming to the UK any more, what's going to happen to that practice?"

One area of the UK economy in particular that potentially stands to lose out is the private education sector, which is already feeling the imposition of VAT that started this year. Britain's private schools are considered a big attraction for those looking to move here.

Marc Acheson, global wealth specialist at Utmost Wealth Solutions, a leading provider of insurance-based wealth solutions, said: "There's potentially a knock-on effect here on the private education system, because lots of resident doms were wealthy enough to have their children in boarding or in private education.

"When you've got the application of VAT to private education fees and you've got potentially a number of people that will be taking their children out over a period of time, that's probably going to have a secondary knock-on effect."

While parts of the economy are already feeling the impact of the changes, it is likely that the full force of the changes will continue to be felt over the next few years as more wealthy individuals leave the UK and it becomes correspondingly less attractive for those who might have considered moving to Britain.

"It is a really short-sighted, unfortunate decision, because I think we need to do everything we can to encourage more people to come to the UK, more people to start businesses here and more people to live their lives here," Hirsh said.

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“Everything at the heart of decision-making should be with a willingness to really support businesses of all sizes, but that’s not what’s happening.”

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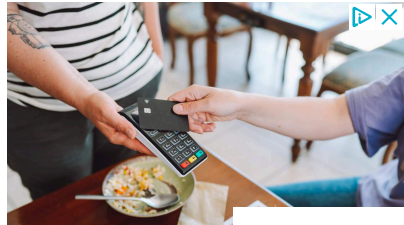
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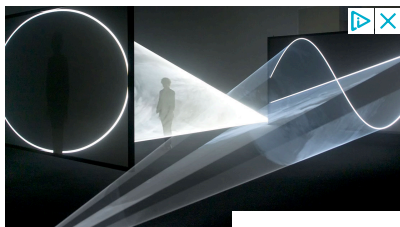


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Giselle Daverat



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John Handley



2 DAYS AGO

let me pick up my jaw off the floor as I see this is a top story in The Times. Write a story about the charity shops, betting shops and poisonous vaping shops that have been flooding our towns and cities for the past 15 years...

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W Jennings



2 DAYS AGO

I think you miss the point. Vaping etc may be serious social problems but the disastrous decisions by Starmer and Reeves to drive high net worth non doms and entrepreneurs away will cost the U.K. significant financial damage. Envy for people who have money and the people/retailers who serve them is...

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V Howard



2 DAYS AGO

Thank you, John. I have just about managed to not shed a tear over the fall in sales of ultra high priced offshore purchased real estate.

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Robert Leighton



2 DAYS AGO

Is this the Guardian below the line?

An article about the impact of high net worth individuals leaving because of Labour's tax changes, one dollar millionaire every 45 minutes, met with "don't let the door hit your backside on the way out", really?

In the year 2023/24 the top 10% of taxpayers paid 60...

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R **Richard Coppack** ...

2 DAYS AGO

The reason the top 1% pay 29% of income tax is because they earn phenomenal amounts. If they want to live here, they must pay like everyone else.

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R **R Bray** ...

2 DAYS AGO

Spot on.

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G **Graham Reeves** ...

2 DAYS AGO

I know that the Times likes to publish at least one story a day criticizing Labour attempts to even out the massive disparity between haves, and have nots. However, this one takes the biscuit for silliness. Purchasers of high end jewelry, who send their kids to private schools, live in expensively ...

See more *(Edited)*

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D **D H Barber** ...

2 DAYS AGO

I take it you are also in favour of levelling down education given than you cannot spell Labour.

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J **J Webb** ...

2 DAYS AGO

Keep it up comrade.

You really have been reading the chapter in the Socialists Playbook, “trash the wealth creators”, and come out with every cliched statement from the 1970s.

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D**David Gwilliam**

2 DAYS AGO

Is this the Telegraph? No sleep lost.

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2 DAYS AGO

No sleep lost but billions in taxes and thousands of lost jobs, not to mention the thousands of millionaires who were all net contributors rather than spongers or public sector workers who also cost billions.

Some really short sighted comments here that smack of envy more than common sense and the r...

See more[Reply](#) · [☆ Recommend \(186\)](#) · [Share](#)[↪ 3 replies](#)**D****Daniel Mitchell**

2 DAYS AGO

How can you not understand?

What more do economists have to say? Can you not grasp what is happening?

We don't have enough people paying tax in the UK.

We are broke.

We need the very wealthy to pay the bulk of the tax.

The country is broke. We have too many on welfare and too many expecting free health ...

See more *(Edited)*[Reply](#) · [☆ Recommend \(183\)](#) · [Share](#)[↪ 7 replies](#)[↪ Show 1 more reply](#)**M****Mortaza Sahibzada**

2 DAYS AGO

This is excellent news! Hopefully rents and homelessness will come down in London.

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2 DAYS AGO

Economics not your strong point then?

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2 DAYS AGO

No money in the country, no food in the country

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M

Mr Michael Farragher

...

2 DAYS AGO

Do let me know when they're going, I'd like to wave them off!

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J

John Harris

...

2 DAYS AGO

And wave off the tax they pay which you will not replace, the word not very bright applies.

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D

Donald Bradley

...

1 DAY AGO

Poor (er) you Michael. And the sun shines where I live

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- A Alexander Gratz** 2 DAYS AGO ...
Keir Starmer and Rachel from accounts are killing our country, our shops, our schools, our families, our prosperity and our futures.
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- L L Roach** 2 DAYS AGO ...
The jewellery owner said she'd faced problems for five years. As far as I know labour have been in power for less than one
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- C C Freeman** 2 DAYS AGO ...
I can pay you minimum wage and a room if you are looking to continue working as a Butler.
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- I Ian Hart** 2 DAYS AGO ...
How will we sleep at night.
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- G GBovill** 2 DAYS AGO ...
The government will not, as where will the tax revenue come from...to pay for the bloated public services the Uk 'enjoys'
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- G Gordon Bennie** 1 DAY AGO ...
Less well as the second job you will need to live when paying much higher taxes will eat into your sleep time.
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- R R Stuart-Hamilton** 2 DAYS AGO ...
I don't know why, but I'm reminded of the Great Plague of London. It's often said that as the rats were removed, so were the

fleas that fed on them, bringing an end to the plague.

(Edited)

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M

M Boettcher

2 DAYS AGO

Strange analogy. Who are the rats and who are the fleas?

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↪ 1 reply

L

L Roach

2 DAYS AGO

Strange analogy to talk about poor people

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D

Dave Pearson

2 DAYS AGO

Rich feeding the rich.. can you pass me the tissues please

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J

Jillian M-Duff

1 DAY AGO

Or the sick bucket

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