RESEARCH BRIEF · 27 SEPTEMBER 2026

UK Budget 2026 Signals Capital Gains Tax Rise, Widening the Case for Dubai as a Wealth...

Early reporting ahead of the UK Budget on 28 October 2026 points to a rise in Capital Gains Tax, with press figures cited as high as 46%. For UK property investors, this raises the after-tax cost of selling, while Dubai property ...

MEDIUM	7.5	25 September 2026	7/10
INVESTOR IMPACT	SIGNIFICANCE SCORE	EVENT DATE	SOURCE RELIABILITY

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EXECUTIVE SUMMARY

01

UK Budget 2026 Signals Capital Gains Tax Rise, Widening the Case for Dubai as a Wealth She

On 25 September 2026, the National Residential Landlords Association reported that early signals ahead of the UK Budget on 28 October 2026 point to a Capital Gains Tax increase, with press speculation citing figures as high as 46%. The NRLA's head of policy, Charles Pitt, has argued the move could deter landlords from selling and slow the housing market. For investors weighing where to hold property capital, this news does not change anything about Dubai. It changes the maths on the UK side of the comparison. Dubai property remains tax-free for non-residents on capital gains, and that gap, if the CGT rise is confirmed on Budget Day, gets wider, not narrower.

- Early reports ahead of the UK Budget on 28 October 2026 suggest CGT will rise, with press figures cited as high as 46 percent, according to the NRLA (25 September 2026).
- Dale Vince has proposed raising CGT as high as 45 percent; the Institute for Fiscal Studies director Paul Johnson has publicly disputed the revenue estimates behind such proposals.
- Dubai property gains remain tax-free for non-residents, so a confirmed UK CGT rise widens the after-tax return gap between the two markets.
- The NRLA warns a CGT rise could cause landlords to hold rather than sell, slowing the UK housing market, a dynamic worth watching for UK sellers considering redeploying capital.
- Nothing is confirmed. This is pre-Budget speculation reported by one outlet, and the actual Budget lands on 28 October 2026.

THE EVENT

02 What happened, and why it matters

WHAT HAPPENED

On 25 September 2026, the NRLA reported that with the UK Budget just weeks away, press speculation has intensified around a rise in Capital Gains Tax, with figures cited as high as 46%. The NRLA's head of policy, Charles Pitt, addressed proposals from Dale Vince, a Labour donor, to raise CGT as high as 45%, which Vince claims could raise 20 billion pounds. Paul Johnson, director of the Institute for Fiscal Studies, has disputed similar revenue claims, citing HMRC estimates that a 10% CGT increase would in fact cost 3.5 billion pounds due to changed seller behaviour. The NRLA has made a formal submission to the Treasury calling for any CGT rise to be part of a wider package of reforms accounting for inflation, Stamp Duty, acquisition costs and length of ownership. The Budget itself is due on 28 October 2026.

WHY IT MATTERS

For UK property investors, a CGT rise raises the tax burden on any future sale of a UK asset. Dubai property gains remain tax-free for non-residents. If a CGT increase is confirmed on Budget Day, the after-tax return differential between holding property in the UK versus Dubai widens further, reinforcing the capital preservation case for Dubai as a wealth-protection instrument. This is not a new mechanism, it is UK tax policy moving in a direction that makes an existing structural advantage more pronounced.

WHO IT AFFECTS

UK-resident property owners and landlords considering a future sale, UK investors weighing where to hold long-term property capital, and anyone already holding or considering Dubai property as part of a cross-border wealth strategy.

INVESTOR READ

03 Implications, risks and opportunities

IMPLICATIONS

If you own UK property and are weighing whether to sell now or later, this is worth watching closely between now and 28 October 2026. The NRLA itself notes that speculation alone changes seller behaviour, landlords facing a higher tax bill on sale tend to sit on the asset rather than sell into uncertainty. If you are comparing where to hold capital going forward, the fact that Dubai gains remain tax-free for non-residents is unaffected by anything in the UK Budget. This is a comparative advantage that gets stronger, not weaker, if the reports prove accurate.

RISKS

Be straight about the limits here. This is early speculation from a single outlet, sourced from press figures and lobby commentary, not confirmed government policy. The actual rate, if any change happens at all, will not be known until the Budget on 28 October 2026. The Institute for Fiscal Studies has directly challenged the revenue assumptions behind the higher proposed rates, and the NRLA itself argues a poorly designed CGT rise could backfire by reducing the volume of property sales rather than raising the revenue proponents expect. None of this is a reason to rush a decision. Tax policy speculation should never be the sole basis for a property transaction, and Dubai property carries its own risks, including market cycles and liquidity considerations, that exist independently of what happens in the UK Budget.

OPPORTUNITIES

If the CGT rise is confirmed, the after-tax return gap between UK and Dubai property widens. For an investor already thinking about capital preservation and generational wealth transfer, that is a data point worth having in hand before Budget Day, not after.

WHAT TO WATCH

The UK Budget on 28 October 2026 will confirm or deny whether CGT actually rises, and by how much. That date is the real signal. Until then, this remains speculation.

THE BOTTOM LINE

04 What this means for Dubai investors

THE MEANING

Dubai property's tax-free status for non-residents on capital gains was already a structural advantage over the UK system. This report does not add anything new to Dubai's side of the ledger, it simply flags that the UK side may be about to get more expensive. Investors comparing the two markets on an after-tax basis should treat 28 October 2026 as the date that clarifies the true size of that gap.

> *"Here's the thing about Budget speculation. Every year there's a version of this story, and every year clients ask me what it means for Dubai. The honest answer is: nothing changes on the Dubai side. What might change is how expensive it gets to hold and sell in the UK. I'm not going to tell anyone to make a decision off a leaked figure from a lobby group weeks before the actual Budget. What I will say is that the tax-free status on capital gains for non-residents in Dubai isn't going anywhere, and if the UK does move on CGT, that's one more reason the after-tax comparison keeps tilting the way it has for a while now. Watch the 28th of October. That's when this actually becomes real.*
>
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SOURCES AND VERIFICATION

National Residential Landlords Association (NRLA), "Budget 2026: Early reports suggest Capital Gains Tax to rise," 25 September 2026, https://www.nrla.org.uk/news/budget-2026-early-reports-cgt-to-rise

Begin the conversation.

Every allocation starts with a candid, numbers-first discussion shaped around your mandate, risk profile and timeline.

Bradley James

ASSOCIATE DIRECTOR & SENIOR INVESTMENT ADVISOR

Bradley James is an Associate Director and Senior Investment Advisor based in Dubai, specialising in Dubai real estate, off-plan investment, strategic wealth allocation, portfolio diversification, and relocation and residency planning. He advises private investors and family offices on entering the Dubai market with the same rigour he applies to his own capital.

SPECIALISMS

- Dubai Real Estate
- Off-Plan Investment
- Strategic Wealth Allocation
- Portfolio Diversification
- Relocation & Residency Planning

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SOURCES
National Residential Landlords Association (NRLA), "Budget 2026: Early reports suggest Capital Gains Tax to rise," 25 September 2026, https://www.nrla.org.uk/news/budget-2026-early

SCAN TO MESSAGE

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