

## Landlords Warned to Review Ownership Structures Now

2 months ago



Portfolio landlords should review their ownership structures now, according to [Price Bailey](#), the leading accountants. This comes as higher-rate taxpayers are set to see higher income tax liabilities on their rental profits, even after partial relief offsets, from April 2027.

The tax rise adds to existing restrictions on mortgage interest relief, higher stamp duty surcharges, and upcoming regulatory costs from the Renters' Rights Act, being phased in throughout 2026.

The income tax increase will push the basic rate from 20% to 22%, the higher rate from 40% to 42%, and the additional rate from 45% to 47%. While finance cost relief increases from 20% to 22%, this only partially offsets the impact for landlords with mortgage debt, says Price Bailey.

[Jon Chambers](#), Tax Director at Price Bailey, comments: "We're seeing portfolio landlords question more than ever whether individual ownership still makes sense. The 2% rise, due to come in next year, adds even more financial burden onto existing tax restrictions and regulatory costs coming this year, with many investors reaching tipping point. Whilst the 2% increase in basic rate and higher rate dividend tax applies a year earlier (from April 2026), director shareholders have more flexibility around profit extraction".

According to Price Bailey, this, combined with the April 2026 Business Property Relief cap, which affects succession planning, has pushed many landlords to conduct strategic reviews to determine which properties justify continued ownership. According to Price Bailey, reviewing restructuring opportunities now puts portfolio landlords in a stronger position to navigate the next 12 months.

Chambers adds: "Landlords can navigate this successfully but waiting until April 2027 means missing restructuring opportunities. Early action is the best step landlords can make, to strengthen their position

going into the next financial year and there are [advisors within Price Bailey](#), who can help.”