

PERSONAL

PRIME MINISTER

CORRESPONDENCE FROM SIR EMMANUEL KAYE

You will recall that earlier in the week Sir Emmanuel wrote to you putting you on warning that he would take the opportunity of your visit to Glyndeborne on Saturday to raise a tax matter.

I have had this looked into by the Treasury and Inland Revenue, and I now attach a reply to Sir Emmanuel for your signature. My advice is that:

- your reply should go to him before Saturday
- you should then decline to discuss the matter with him when you meet.

The main reason for this advice is that set out in paragraph 6 of the Inland Revenue brief which is also attached. You will see that it appears Sir Emmanuel would himself stand to gain from the retrospective special tax concession he proposes.

Content to sign and for us to transmit this tomorrow?

pp *Mananville*
Duty Clerk

Signed
mt

Paul Gray
20 July 1989

P.S. I gather you may also be seeing Godfrey Bradman on Saturday; you might like to bear in mind his tendency to lobby on tax matters in which Rosehaugh has an interest.

MJLABS

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