

**FACTSHEET**  
**CAPITAL GAINS TAX ON SALE**

From 6 April 2020 a tax return (under Schedule 2 of the Finance Act 2019) is required where there is any direct disposal of UK land on which a residential property gain is made. This is called a CGT Land Return.

**Which properties are affected**

This will not usually apply in the case of a sale of one's main residence, unless this has been rented out, used for business, or is very large.

It will normally apply on the sales of second homes or buy to let properties.

It can apply to the sale of a deceased person's property where the executors have made a "gain" during the administration period, subject to the reliefs which may be available.

**Exceptions**

Where there is no gain or loss, no return is necessary e.g. transfers between a married couple or civil partners.

If the gain is less than the annual exempt amount (for 2023-4 this is £6000 or £3000 for some trusts) no return is required.

A person's tax residence status can also be relevant in determining whether a return is required.

Reliefs are available, e.g. deduction of certain expenses from the chargeable gain before calculating the tax.

**Your responsibility**

It is the taxpayer's responsibility to submit a return and pay tax.

PLEASE NOTE that if a return is required it must be done within 60 days of completion.

The rate of tax payable in 2023-4 is 28%. Penalties and interest are charged for late reporting of chargeable gains.

**Further information**

If you are in any doubt as to your position and whether tax is payable, you should consult your accountant or see the guidance on GOV.UK