

### What is Capital Gains Tax and When Does it Apply?

Capital gains tax is payable by individuals, trusts and estates on the increase in value of some assets. Capital gains tax generally applies to all assets, although there are many exceptions for private residences, certain tax free assets, small value items etc. In the UK, you will normally realise a capital gain when you sell, gift, lose or otherwise dispose of an asset.

### What Rates of Tax Apply and When is it Most Common?

Capital gains tax is chargeable at 18% for individuals, although the various reliefs available can reduce this to 10% or even 0%. All individuals also have an annual exempt amount on which no tax is payable. This amount is £9,600 in 2008/2009.

Capital gains tax often applies:

- When an individual sells their business or company.
- On the sale of buy-to-let property.
- On the sale of your main home where it has not been your principal residence throughout the whole period of ownership.
- On the sale of shares, investments or antiques.
- On the sale of assets valued at more than £6,000 (excluding cars).

### How Can Wisteria Help?

If you have sold an asset, Wisteria can accurately calculate your capital gains tax and correctly report this on your tax return, claiming all available reliefs along the way.

Wisteria's tax experts can also help if you are yet to sell your business, property, shares or assets. The tax advice and planning our experts provide will help you to minimise your tax bill and ensure you are in the most efficient position now and in the future.

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