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STATUTORY INSTRUMENTS

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**2001 No. 636**

**TAXES**

**The Capital Gains Tax (Annual Exempt Amount) Order 2001**

*Made* - - - - *7th March 2001*

The Treasury, in pursuance of section 3(4) of the Taxation of Chargeable Gains Act 1992<sup>(1)</sup>, hereby make the following Order:

1. This Order may be cited as the Capital Gains Tax (Annual Exempt Amount) Order 2001.
2. The amount specified, which by virtue of section 3 of the Taxation of Chargeable Gains Act 1992 is, unless Parliament otherwise determines, the exempt amount for the year 2001–02, is £7,500.

7th March 2001

*Jim Dowd*  
*Greg Pope*  
Two of the Lords Commissioners of Her  
Majesty's Treasury

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(1) [1992 c. 12](#); section 3 was amended by section 83 of the Finance Act [1993 \(c. 34\)](#) and paragraph 3 of Schedule 21 to the Finance Act [1998 \(c. 36\)](#).

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order specifies £7,500 as the amount which, under section 3 of the Taxation of Chargeable Gains Act 1992 (“the 1992 Act”), is the exempt amount for the year 2001–02 unless Parliament otherwise determines. Section 3(1) of the 1992 Act provides that an individual’s capital gains for a year of assessment are chargeable to capital gains tax only to the extent that they exceed the exempt amount.

By virtue of the Capital Gains Tax (Annual Exempt Amount) Order 2000 (S.I. 2000/808) the exempt amount for the year 2000–01 was specified as £7,200. The amount of £7,500 is the amount for 2000–01 increased by the amount of the percentage increase in the retail prices index for September 2000 over that for September 1999, and rounded up to the nearest £100 in accordance with section 3(3) of the 1992 Act (as amended by section 83 of the Finance Act 1993).

Under section 288(2) of the 1992 Act, “retail prices index” has the same meaning as in the Income Tax Acts; and “retail prices index” is defined in section 833(2) of the Income and Corporation Taxes Act 1988 (c. 1), as amended by paragraph 22 of Schedule 2 to the Transfer of Functions (Registration and Statistics) Order 1996 (S.I. 1996/273), as the “general index of retail prices (for all items) published by the Office for National Statistics”. The retail prices index for September 1999 is 166.2 and for September 2000 171.7 (based on January 1987 as 100) (see Table 3.1 on page T28 of the November 2000 issue (No. 564) of Economic Trends, a National Statistics publication).