
STATUTORY INSTRUMENTS

2011 No. 899

CAPITAL GAINS TAX

The Capital Gains Tax (Annual Exempt Amount) Order 2011

Made - - - - 23rd March 2011

The Treasury make the following Order in discharge of the duty conferred by section 3(4) of the Taxation of Chargeable Gains Act 1992⁽¹⁾:

Citation

1. This Order may be cited as the Capital Gains Tax (Annual Exempt Amount) Order 2011.

Exempt amount of capital gains for 2011-12

2. The amount which, by virtue of section 3 of the Taxation of Chargeable Gains Act 1992, is, unless Parliament otherwise determines, the exempt amount for the tax year 2011-12 is £10,600.

23rd March 2011

Michael Fabricant
James Duddridge
Two of the Lords Commissioners of Her
Majesty's Treasury

⁽¹⁾ 1992 c. 12; section 3 was amended by section 83 of the Finance Act 1993 (c. 34), paragraph 3 of Schedule 21 to the Finance Act 1998 (c. 36), paragraph 3 of Schedule 28 to the Finance Act 2003 (c. 14) and paragraph 26 of Schedule 2 and paragraph 56 of Schedule 7 to the Finance Act 2008 (c. 9). The annual exempt amount was last increased by S.I. 2009/824.

Status: This is the original version (as it was originally made).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

EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies £10,600 as the exempt amount for the tax year 2011-12 by virtue of section 3 of the Taxation of Chargeable Gains Act 1992 (c. 12) (“TCGA 1992”), unless Parliament otherwise determines. Section 3(1) of the TCGA 1992 provides that an individual is chargeable to capital gains tax for a year of assessment only on the amount by which his taxable amount for the year exceeds the exempt amount.

By virtue of the Capital Gains Tax (Annual Exempt Amount) Order 2010 (S.I. 2010/923) the exempt amount for the tax year 2010-11 was set at £10,100 (being the same amount as set for 2009-10 by the Capital Gains Tax (Annual Exempt Amount) Order 2009 (S.I. 2009/824)). The amount of £10,600 is the amount for 2010-11 increased by the amount of the percentage increase in the retail prices index for September 2010 over that for September 2009, and rounded up to the nearest £100 in accordance with section 3(3) of the TCGA 1992 (as amended by section 83 of the Finance Act 1993 (c. 34)).

Under section 288(2) of the TCGA 1992, “retail prices index” has the same meaning as in the Income Tax Acts; and “retail prices index” is defined in section 989 of the Income Tax Act 2007 (c. 3) (as amended by paragraph 16 of Schedule 3 to the Statistics and Registration Service Act 2007 (c. 18)). The retail prices index for September 2010 is 225.3 and for September 2009 is 215.3 (based on January 1987 as 100) (see Table RP02 (a National Statistics Publication)). This publication can be found at http://www.statistics.gov.uk/downloads/theme_economy/Rp02.pdf. Percentage changes in the RPI over 12 months are given in Table RP04 (http://www.statistics.gov.uk/downloads/theme_economy/Rp04.pdf).

In line with government commitments, a Tax Information and Impact Note has not been prepared for this instrument as it gives effect to a previously announced policy and relates to routine changes to allowances.