



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART VII

#### OTHER PROPERTY, BUSINESSES, INVESTMENTS ETC.

##### *Private residences*

#### **223 Amount of relief.**

- (1) No part of a gain to which section 222 applies shall be a chargeable gain if the dwelling-house or part of a dwelling-house has been the individual's only or main residence throughout the period of ownership, or throughout the period of ownership except for all or any part of the last [<sup>F1</sup>9 months] of that period.
- (2) Where subsection (1) above does not apply, a fraction of the gain shall not be a chargeable gain, and that fraction shall be—
  - (a) the length of the part or parts of the period of ownership during which the dwelling-house or the part of the dwelling-house was the individual's only or main residence, but inclusive of the last [<sup>F2</sup>9 months] of the period of ownership in any event, divided by
  - (b) the length of the period of ownership.
- (3) For the purposes of [<sup>F3</sup>sections 222(5) and 222A and] subsections (1) and (2) above—
  - (a) a period of absence not exceeding 3 years (or periods of absence which together did not exceed 3 years), and in addition
  - (b) any period of absence throughout which the individual worked in an employment or office all the duties of which were performed outside the United Kingdom [<sup>F4</sup>or lived with a spouse or civil partner who worked in such an employment or office], and in addition
  - (c) any period of absence not exceeding 4 years (or periods of absence which together did not exceed 4 years) throughout which the individual was prevented from residing in the dwelling-house or part of the dwelling-house in consequence of the situation of his place of work or in consequence of any

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condition imposed by his employer requiring him to reside elsewhere, being a condition reasonably imposed to secure the effective performance by the employee of his duties, <sup>F5</sup>and in addition,]

<sup>F6</sup>(d) any period of absence not exceeding 4 years (or periods of absence which together did not exceed 4 years) throughout which the individual lived with a spouse or civil partner in respect of whom paragraph (c) applied in respect of that period (or periods),]

shall be treated as if in that period of absence the dwelling-house or the part of the dwelling-house <sup>F7</sup>were occupied by the individual as a residence]]<sup>F8</sup>if conditions A and B are met.]

<sup>F9</sup>(3A) Condition A is that before the period there was a time when the dwelling-house was the individual’s only or main residence.

(3B) Condition B is that after the period—

- (a) in a case falling within paragraph (a), (b), (c) or (d) of subsection (3), there was a time when the dwelling-house was the individual’s only or main residence,
- (b) in a case falling within paragraph (b), (c) or (d) of that subsection, the individual was prevented from resuming residence in the dwelling-house in consequence of the situation of the individual’s place of work or a condition imposed by the terms of the individual’s employment requiring the individual to reside elsewhere, being a condition reasonably imposed to secure the effective performance by the employee of his duties, or
- (c) in a case falling within paragraph (b), (c) or (d) of that subsection, the individual lived with a spouse or civil partner to whom paragraph (b) of this subsection applied.]

<sup>F10</sup>(4) .....

<sup>F11</sup>(5) .....

<sup>F11</sup>(6) .....

<sup>F12</sup>(7) In this section “period of ownership”—

- (a) does not include any period before 31 March 1982, and
- (b) where the whole or part of the gain to which section 222 applies is <sup>F13</sup>a residential property gain (as defined by Schedule 1B) which is chargeable to capital gains tax because of section 1A(3)(b)], does not include any period before 6 April 2015 (but see subsection (7A)).

(7A) Paragraph (b) of the definition of “period of ownership” does not apply in a case where <sup>F14</sup>paragraph 8 or 14 of Schedule 4AA applies] (the individual has made an election for the retrospective basis of computation to apply).

(7B) In this section “period of absence” means a period during which the dwelling-house or the part of the dwelling-house was not occupied by the individual as a residence.]

<sup>F15</sup>(8) This section is subject to—

- (a) section 224 (amount of relief: further provisions),
- <sup>F16</sup>(aa) [ section 225D (private residence of adult placement carer),]<sup>F17</sup>...
- <sup>F18</sup>(ab) [ section 225E (disposals by disabled persons or persons in care homes etc), and]

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- (b) section 226A (private residence relief: cases where relief obtained under section 260).]

#### Textual Amendments

- F1** Words in s. 223(1) substituted (with effect in accordance with s. 24(11) of the amending Act) by [Finance Act 2020 \(c. 14\), s. 24\(3\)\(a\)](#)
- F2** Words in s. 223(2)(a) substituted (with effect in accordance with s. 24(11) of the amending Act) by [Finance Act 2020 \(c. 14\), s. 24\(3\)\(a\)](#)
- F3** Words in s. 223(3) inserted (with effect in accordance with Sch. 9 para. 10 of the amending Act) by [Finance Act 2015 \(c. 11\), Sch. 9 para. 4\(2\)\(a\)](#)
- F4** Words in s. 223(3)(b) inserted (with effect in accordance with art. 7(5) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2009 \(S.I. 2009/730\), arts. 1\(1\), 7\(2\)](#)
- F5** Words in s. 223(3)(c) inserted (with effect in accordance with art. 7(5) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2009 \(S.I. 2009/730\), arts. 1\(1\), 7\(3\)](#)
- F6** S. 223(3)(d) inserted (with effect in accordance with art. 7(5) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2009 \(S.I. 2009/730\), arts. 1\(1\), 7\(4\)](#)
- F7** Words in s. 223(3) substituted (with effect in accordance with Sch. 9 para. 10 of the amending Act) by [Finance Act 2015 \(c. 11\), Sch. 9 para. 4\(2\)\(b\)](#)
- F8** Words in s. 223(3) substituted (with effect in accordance with art. 8(4) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2009 \(S.I. 2009/730\), arts. 1\(1\), 8\(2\)](#)
- F9** S. 223(3A)(3B) inserted (with effect in accordance with art. 8(4) of the amending S.I.) by [The Enactment of Extra-Statutory Concessions Order 2009 \(S.I. 2009/730\), arts. 1\(1\), 8\(3\)](#)
- F10** S. 223(4) omitted (with effect in accordance with s. 24(11) of the amending Act) by virtue of [Finance Act 2020 \(c. 14\), s. 24\(3\)\(b\)](#)
- F11** S. 223(5)(6) omitted (with effect in accordance with s. 58(4) of the amending Act) by virtue of [Finance Act 2014 \(c. 26\), s. 58\(2\)\(b\)](#)
- F12** S. 223(7)-(7B) substituted for s. 223(7) (with effect in accordance with Sch. 9 para. 10 of the amending Act) by [Finance Act 2015 \(c. 11\), Sch. 9 para. 4\(3\)](#)
- F13** Words in s. 223(7)(b) substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\), Sch. 1 para. 74\(2\)](#)
- F14** Words in s. 223(7A) substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\), Sch. 1 para. 74\(3\)](#)
- F15** S. 223(8) inserted (with effect in accordance with Sch. 22 paras. 7(3)(4), 8 of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 22 para. 2\(3\)](#)
- F16** S. 223(8)(aa) inserted (with effect in accordance with s. 16(4) of the amending Act) by [Finance \(No. 3\) Act 2010 \(c. 33\), s. 16\(1\)](#)
- F17** Word in s. 223(8) omitted (with effect in accordance with s. 58(4) of the amending Act) by virtue of [Finance Act 2014 \(c. 26\), s. 58\(2\)\(c\)](#)
- F18** S. 223(8)(ab) inserted (with effect in accordance with s. 58(4) of the amending Act) by [Finance Act 2014 \(c. 26\), s. 58\(2\)\(c\)](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act applied by [1997 c. 16 Sch. 12 para. 12\(7\)](#)[1314](#)
- Act applied by [2002 c. 23 Sch. 16 para. 48\(1\)\(2\)](#)
- Act construed as one with reg. 37 by [S.I. 2006/575 reg. 37\(2\)](#)
- Act construed as one with reg. 38 by [S.I. 2006/575 reg. 38\(3\)](#)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 4(10)(11) inserted by [2016 c. 11 s. 15\(4\)](#)
- s. 4(10) words inserted by [2016 c. 24 s. 83\(11\)](#)
- s. 35(3)(d)(xviii) added by [2008 c. 17 Sch. 7 para. 9](#)
- s. 35(3)(d)(xviii) inserted by [2008 c. 18 Sch. 13 para. 46](#)
- s. 35(3)(d)(xviii) repealed by [S.I. 2008/3002 Sch. 1 para. 42](#)[Sch. 3](#) (This amendment comes into force on the day 2008 c. 4, s. 5 comes into force, see art. 1(2). That provision was brought into force on 1.12.2008 by [S.I. 2008/3068](#), art. 2(1)(b))
- s. 104(4)(b)(i) words substituted by [S.I. 1989/469](#), reg. 27(2) (as amended) by [S.I. 1997/1716 reg. 13\(1\)\(b\)](#)
- s. 107(11) words substituted by [S.I. 1989/469](#), reg. 27(2A) (as amended) by [S.I. 1997/1716 reg. 13\(2\)\(b\)](#)
- s. 169S(4A) inserted by [2015 c. 11 s. 43\(2\)](#)
- s. 587B inserted by [2000 c. 17 s. 43\(1\)](#)
- Sch. 5C para. 3(1) modified by [S.I. 2004/2199 reg. 7\(1\)](#)
- Sch. 5C para. 3(6) modified by [S.I. 2004/2199 reg. 7\(2\)](#)
- Sch. 5C para. 5(1) modified by [S.I. 2004/2199 reg. 7\(3\)](#)
- Sch. 5C para. 3 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 5 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 6 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 3(1)(f) words substituted by [2007 c. 3 Sch. 1 para. 347](#)