
EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies £10,100 as the exempt amount for the tax year 2010-11 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 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 2009 (S.I. 2009/824) the exempt amount for the year 2009-10 was set at £10,100. The amount of £10,100 for 2010-11 is the same amount as there has been no increase in the retail prices index for September 2009 over that for September 2008 and so section 3(3) of TCGA 1992 (as amended by section 83 of the Finance Act 1993 (c.34)) does not apply.