

CHAPTER 7 Other reliefs and exemptions

Annual exempt amount. CGTA75 s16; CGT(A)A78 s16, s17, Sch1 par8 and Sch2; FA92 s59 601.—(1) An individual shall not be chargeable to capital gains tax for a year of assessment if the amount on which he or she is chargeable to capital gains tax under section 31 for that year does not exceed £1,000.

(2) Where the amount on which an individual is chargeable to capital gains tax under section 31 for a year of assessment exceeds £1,000, only the excess of that amount over £1,000 shall be charged to capital gains tax for that year.

(3) Where, on the assumption that subsection (2) did not apply, an individual would be chargeable under the Capital Gains Tax Acts at more than one rate of tax for a year of assessment, the relief to be given under that subsection in respect of the first £1,000 of chargeable gains shall be given—

(a) if the individual would be so chargeable at 2 different rates, in respect of the chargeable gains which would be so chargeable at the higher of those rates and, in so far as relief cannot be so given, in respect of the chargeable gains which would be so chargeable at the lower of those rates, and

(b) if the individual would be so chargeable at 3 or more rates, in respect of the chargeable gains which would be so chargeable at the highest of those rates and, in so far as relief cannot be so given, in respect of the chargeable gains which would be so chargeable at the next highest of those rates, and so on.

(4) In the case of an individual who dies in the year of assessment, this section shall apply with the substitution for the reference to the individual of a reference to his or her personal representatives, and the amount of chargeable gains shall be that on which the personal representatives are chargeable in respect of gains accruing before death.

(5) Relief shall not be given under this section where relief is allowed under section 598 or 599.