



# Capital gains tax 60-day reporting

## What is a capital gain?

If the value of your property has risen since you acquired it, this increase in value on disposal is known as a capital gain.

Calculating the gain on the sale of a property is relatively straightforward:

Proceeds of sale	P
Less: costs of acquisition	(C)
	----
Capital gain	G

For gifts or transfers to certain family members, proceeds (P) is replaced with market value at transfer.

The tricky bit is identifying allowable costs and claiming relevant reliefs. This is where we can help.

### Do I need to submit a return?

If you're selling, gifting or transferring UK residential property where a capital gain arises then you'll be required to submit a return.

A return isn't required for UK residents if the disposal is realised at a loss, transferred to a spouse, covered by any capital losses brought forward or fully covered by private residence relief (PRR)\*.

Please note there will be significant penalties and charges for failing to comply with the 60-day reporting.

### Reliefs

The final period of principal private residence relief (PRR) exemption means that any gains made in the final nine months of ownership are exempt from capital gains tax if you've lived in the property as your only or main residence at some point during your period of ownership.

Lettings relief is no longer available unless you've shared the occupancy with the tenant.

\*For non-UK residents, please refer to our brochure [Capital Gains Tax for non-residents](#).

## 60-day reporting

If you have disposed of property in the UK, you must report and pay any tax due on UK residential property within 60 days of completion. Reporting is only required where tax is payable for UK residents\*.

A report is required for each disposal, so if you own multiple buy-to-let properties and you sell a few of them in the same tax year then you may need to make several returns. In this circumstance, you may wish to consider the best order to make the disposals to minimise on-account payments due.