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<http://www.hmrc.gov.uk/statistics/capital-gains-tax.htm>

Capital Gains Tax (CGT) Statistics



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About these statistics

This is a National Statistics publication produced by HM Revenue & Customs. For more information on National Statistics and governance of statistics produced by public bodies please visit statisticsauthority.gov.uk.

The tables in this publication provide breakdowns of the number of capital gains taxpayers, gains and tax accruals (liabilities) by year of disposal.

New or updated statistics in this release

These statistics were published in October 2016 with updates to the previous provisional figures and new figures added for 2014-15 using Self Assessment data and new survey information for 2013-14.

For historic years the tables in this publication show only normal changes due to the addition of a small number of taxpayers each year. Earlier figures for years between 2009-10 and 2010-11 have been marked as 'provisional but with future changes expected to be very small'.

The last year covered by these tables, 2014-15, was a year without major changes to the tax regime. The tables included in this year's publication follow the same format as last year, with no additions or subtractions.

Table 14.9 is new for this edition and contains information on the use of employee shareholder status in the first 7 months of operation. The table shows the number of companies and the number of employees that participated in 2013-14 as well as the number and value of share awards.

The next scheduled release is in October 2017. The exact date of publication will be given on the gov.uk statistics page not less than 20 working days before publication.

SECTION 1: Introduction and background information

What is Capital Gains Tax?

Capital Gains Tax (CGT) was first introduced in 1965 on capital gains made on the disposal of assets by individuals, trusts and personal representatives of deceased persons.

CGT is charged on gains realised on the disposal of assets. For this purpose the disposal of an asset includes any occasion when the beneficial ownership (relates to the person who enjoys the benefits of the asset) of part or all of an asset is transferred from one person to another (although most transfers between married partners, or between registered civil partners, are treated as giving rise to neither gain nor loss). Types of disposal include sales, gifts, and exchanges but the death of an individual is not treated as a disposal of their assets. Typical assets are land, stocks and shares and other tangible items of wealth like works of art but also include intangible items of wealth like the goodwill of a business.

The capital gain is broadly the difference between the disposal proceeds and the cost of acquiring the asset. In some circumstances, the market value of the asset at the time of acquisition/disposal is used. Expenditure which has increased the asset's value, as well as incidental costs of acquisition/disposal, may be deducted. There are various reliefs and exemptions which may reduce the amount of CGT to be paid. For example, there is normally no CGT liability on the disposal of a person's main or only home.

Capital losses may be deducted from gains chargeable in the tax year in which the losses are incurred or, if these gains are insufficient, the unused losses may be carried forward to be deducted from gains in later tax years. Capital losses may be carried back to earlier tax years in only very limited circumstances.

Recent changes to Capital Gains Tax

The CGT regime has changed significantly since it was first introduced in 1965. Many of the current features of the CGT regime have been introduced since 2008 and are therefore set out below. It also sets out some information about employee shareholder status. Annex B gives details of earlier changes to the CGT regime between 1982 and 2004.

2008

A single CGT rate of 18% was introduced for individuals, trusts and personal representatives of deceased persons. The Annual Exempt Amount, which exempts gains up to a limit, remained in place but taper relief and indexation allowance were withdrawn. A new Entrepreneurs' Relief was made available to individuals and certain trusts. Entrepreneurs' Relief allows individuals and some trusts to claim relief on qualifying gains made on the disposal of any of the following:

- all or part of a business
- the assets of a business after it has stopped trading
- shares in a company

This relief provided an effective 10% rate on the first £1 million of lifetime gains of qualifying disposals. Further details of the changes are covered in the linked document:

<http://www.hmrc.gov.uk/cgt/businesses/reliefs.htm>

2010

In March 2010 the limit for Entrepreneurs' Relief was extended to cover the first £2m of lifetime gains. The lifetime limit for Entrepreneurs' Relief was extended to cover the first £5m of lifetime gains for disposals after 23rd June 2010.

The 2010 Finance Act introduced a further reform of Capital Gains Tax during the 2010-11 tax year in line with the June 2010 budget. For individuals where their total taxable income and gains after all allowable deductions (including losses, the income tax personal allowance and the CGT AEA) are less than the upper limit of the basic rate income tax band (£37,400 for 2010-11), the rate of CGT will be 18%. For gains (and any parts of gains) above that limit the rate will be 28%. For trusts and personal representatives of deceased persons, the rate will be 28%. Where Entrepreneurs' Relief applies for individuals or trusts the rate remains 10%.

2011

Further reforms were made to the CGT regime announced at Budget 2011. Entrepreneurs' Relief was extended to £10m of gains over a lifetime from 6 April 2011.

2012

The Annual Exempt Amount for 2012-13 was frozen for individuals at £10,600, the level of the allowance in 2011-12. A new relief, Seed Enterprise Investment Relief, was introduced to help small, early-stage companies to raise equity finance by offering a range of tax reliefs (including CGT if conditions apply) to individual investors who purchase new shares in those companies. This relief applies to shares issued on or after 6 April 2012.

2013

There were a number of measures announced in the 2013 budget which are detailed at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/221885/budget2013_complete.pdf. One of the major changes, affecting qualifying share disposals from 6 April 2013, was announced in the 2012 Budget, and extended Entrepreneurs' Relief to cover gains made through the extension of Enterprise Management Initiative options to those qualifying share disposals. Seed Investment Relief was extended to 2013-14 but only 50% relief was given. Relief was available against CGT chargeable on gains realised in 2013-14 and reinvested in qualifying companies in 2013-14 or 2014-15. Announced at Budget 2012, but applying from April 2013, was a new tax on residential properties valued at over £2 million held in corporate envelopes (the Annual Tax on Enveloped Dwellings, ATED) with a CGT charge of 28% on gains made on disposal of enveloped properties since April 2013. The CGT charge also applied from April 2013.

Employee shareholder status is a new employment status that was introduced on 1st September 2013, affecting CGT as well as Income Tax and National Insurance contributions. Employers can issue employees with fully paid shares in their company or parent company in exchange for the employee forfeiting certain employment rights.

To participate in the scheme, the company must award the employee shares worth at least £2,000 in return for surrendering agreed employment rights. Companies are able to impose restrictions such as preventing the employee from selling their shares for a certain period of time. These have the effect of reducing the market value of the shares and it is this 'restricted' actual value that needs to be at least £2,000 if the individual is to be an employee shareholder.

Additional benefits for the employee shareholder include an exemption from paying Income Tax and National Insurance Contributions on the value of shares up to £2,000 on acquisition and an exemption from paying Capital Gains Tax on shares worth up to

£50,000 at award when sold. Budget 2016 announced a lifetime limit of £100,000 on the CGT exempt gains that a person can make on the disposal of shares acquired under employee shareholder agreements entered into after 16 March 2016.

2014

The Seed Enterprise Investment Relief was made permanent at the 50% rate. Social investment tax relief was introduced which for qualifying investments in social enterprises, gave a deferral of the CGT charge on the invested gains. Also after holding such investments for 3 years or more disposal of qualifying investments were free of CGT. The Annual Tax on Enveloped Dwellings (ATED) was extended to residential properties valued over £500,000 (with rates applying depending on the band range) with the CGT charge on disposal now also applying to enveloped residential properties over £500,000.

Where a person owns one or more properties that have been their main residence they are entitled to relief from CGT on the final period of ownership if they dispose of a property they are not currently living in. The change made for contracts exchanged on or after 6 April 2014 reduced the period of ownership for which this relief was available from 36 months to 18 months.

2015

Non-resident individuals, trustees and certain other types of owner, making disposals of UK residential property after 5 April 2015, became liable to CGT on gains on these properties, which accrued from 6 April 2015.

2016

The main CGT rates were reduced from 18% and 28% to 10% and 20% respectively, except for gains on carried interest (investment profit rewards for investment managers) and residential property.

A new investors' relief will apply a 10% rate of Capital Gains Tax (CGT) to gains accruing on the disposal of ordinary shares in an unlisted trading company held by individuals, that were newly issued to the claimant and acquired for new consideration on or after 17 March 2016, and have been held for a period of at least three years starting from 6 April 2016. A

taxpayer's qualifying gains for investors' relief will be subject to a lifetime cap of £10 million.

What does this publication tell me?

The purpose of this publication is to provide information on liable CGT tax payers using information from Self Assessment returns. The statistics show the number of liable taxpayers, gains and the tax accruals (liabilities). The publication also shows how total CGT liabilities and gains are spread by the size of the gain and income range of those making the disposal.

In **Tables 14.1 to 14.3**, for years to 1997-98, "Gains" are the sum of chargeable gains from all disposals made by a taxpayer; i.e., having deducted indexation allowance and other reliefs, but before deducting the Annual Exempt Amount, past capital losses, or trading losses. From 1998-99, "Gains" refers to total taxable gains net of reliefs available at disposal, and after deduction of trading losses, past capital losses and taper relief, but before deducting the Annual Exempt Amount. Between 1998-99 and 2007-08, taper relief (a percentage applied to the gain depending on how long the asset had been held) reduced the gains which were taxable and had a significant impact on the gains reported in **Table 14.1**. As taper relief was abolished in 2008-09, gains since 2008-09 are not comparable to earlier years. "Tax accruals" relates to the tax liabilities for the year of disposal and not tax receipts as payment to HMRC takes place later. CGT receipts data are published at <https://www.gov.uk/government/statistics/disaggregation-of-hmrc-tax-receipts>

Table 14.4 provides information on gains on disposals made over a number of years for individuals with gains which qualified for Entrepreneurs' Relief.

Table 14.5 shows the amount of gains and tax liabilities for individuals by region and UK country. This table is based on the postcode of the residence of the individual. For the small minority of taxpayers where the postcode is unknown their gains and CGT liabilities are distributed in the same proportions as those where the postcode is known.

Tables 14.6, 14.7 and 14.8 show the number of disposals, disposal value and chargeable gains arising in the 2013-14 tax year before the deduction of in year losses, past capital losses and the Annual Exempt Amount. Information on the asset type is derived from an annual sample of capital gains schedules submitted with Self Assessment returns.

Detailed computations of chargeable gains are obtained for each case sampled. These show the amounts arising from disposals of different types of assets, the period for which they were held, the cost of acquiring each asset, enhancement expenditure (e.g. expenditure on the development of a house), the sale price and costs of disposal, the amount of indexation allowance and any other allowances or reliefs.

The information in **Tables 14.7** and **Table 14.8** is tabulated by types of asset, and within these, ranges of periods the asset was held. **Table 14.7** has the full breakdown into detailed holding period ranges for the major types of financial and non-financial asset separately. **Table 14.8** has a further breakdown of financial and non-financial assets into sub-categories by holding period.

Table 14.9 is new for this year and contains information on the use of employee shareholder status in the first 7 months of operation. The table shows the number of companies and the number of employees that participated as well as the number and value of share awards.

The rates of Capital Gains Tax since 1977-78 are given in **Table A.7**, which also shows the amounts of the annual exemption available for each year from 1980-81 and rates of taper relief from 1998-99 to 2007-08.

Statistics in this release

Table	Description	Data Source	Latest Update
14.1	Estimated taxpayer numbers, gains and tax accruals by year of disposal, 1987-88 to 2014-15	SA data	link
14.2	Estimated taxpayer numbers, gains and tax accruals by year of disposal and size of gain, 2010-11 to 2014-15	SA data	link
14.3	Estimated number of individual taxpayers, gain and income net of deductions by year of disposal and size of gain, 2010-11 to 2014-15	SA data	link
14.4	Numbers of individual claimants of Entrepreneurs' Relief and amounts of gain by year of disposal and size of gain on which Entrepreneurs' Relief claimed, 2010-11 - 2014-15	SA data	link
14.5	Estimated number of CGT liable individuals, gains and tax accruals by UK country, 2010-11 to 2014-15	SA data	link
14.6	Estimated number of taxpayer disposals, value of disposals, and chargeable gains by type of asset disposed of in 2013-14	CGT survey data	link
14.7	Analysis of taxpayer disposals by length of period of ownership and type of asset disposed of in 2013-14	CGT survey data	link
14.8	Estimated number of taxpayer disposals, value of disposals, and chargeable gains by asset types disposed of in 2013-14	CGT survey data	link

14.9	Employee shareholder status	Securities Returns	link
A.7	Rates of Capital Gains Tax	N/A	link

Who might be interested?

These tables are likely to be of interest to policy makers in government, academics, ‘think-tanks’ and other research bodies and journalists. They are of use to individuals or organisations interested in the number of capital gains taxpayers and CGT liabilities in total, and the distributions of taxpayer numbers and amounts of CGT, for example by the taxpayer’s tax band. Users interested in the spread of gains or CGT liabilities across the taxpayer’s income distribution may also be interested. Tables 14.6 to 14.8 are of interest to anyone wanting capital gains split by type of asset and length of time the asset was held.

User engagement

We are committed to providing impartial, high quality statistics that meet our users’ needs. We encourage our users to engage with us so we can improve our official statistics and identify gaps in the statistics that we produce. If you would like to comment on these statistics, or have any enquiries on the statistics, please get in touch with the statistical contacts named at the end of this section.

Publication and revision strategy

These statistics are published annually, usually in October. Release dates will be announced on the UK Statistics Hub and the HMRC National Statistics release schedule. Any delays to the publication date will be announced on the HMRC National Statistics website.

Statistical contacts

Enquiries should be directed to the contacts listed on the front page of this release.

For tables 14.1 to 14.8, contact the statistician Peter Smedley (peter.smedley@hmrc.gsi.gov.uk) or the statistical contact G Cobbett (gwa.cobbett@hmrc.gsi.gov.uk).

For table 14.9, contact the statistician Shahida Begum (shahida.begum@hmrc.gsi.gov.uk).

SECTION 2: Capital Gains Tax statistics

The statistics in **Section 2** provide analyses of capital gains taxpayers. Tables 14.1 to 14.6 are based on a census of tax records supplied by Self Assessment returns with a CGT liability. The latest information available is for disposals in the tax year 2014-15. Tables 14.6 to 14.8 are based on a stratified sample of detailed asset-level information from Self Assessment returns submitted for the 2013-14 tax year. Data sources and methods are described in more detail in Annex A.

Summary of key statistics

The headline statistics for individuals and trusts can be found below together with the tables.

Table 14.1 Estimated taxpayer numbers, gains, and tax accruals by year of disposal - tax years 1987-88 to 2014-15

This table uses assessment data up to and including the close of 1997 account (31 October 1997) and data from Self Assessment returns for 1996-97 onwards.

Capital Gains Tax liabilities steadily increased year-on-year from 2001-02 to 2007-08, when they reached a record high of £7.7bn. This was followed by a 67% fall to £2.5bn in 2008-09. The total amount of CGT liability increased in 2009-10 to £3.4bn (up by 33%) which was close to levels last seen in 2004-05. A further increase to £4.3bn in 2010-11 (a rise of 26%) meant liabilities in that year were closer to 2005-06 levels. Liabilities then fell by 11% in 2011-12 to £3.8bn, and remained at a similar level in 2012-13 at £3.8bn. In 2013-14 liabilities increased by 44% to £5.5bn. In 2014-15 liabilities increased by 25% to £6.9bn, driven mainly by growth in the equities and property markets. As a result of these changes, both the number of taxpayers and the gains reported per taxpayers grew, as discussed below.

From 2004-05 to 2007-08 the number of individuals liable to CGT increased each year, reaching 250,000 in 2007-08 before falling to 133,000 in 2008-09. The amount of gains realised moved in the same direction over the period, although these gains figures are not really comparable because 2007-08 gains were considerably affected by taper relief whilst 2008-09 gains were not.

In 2008-09, there was a difficult outlook for asset markets and a major change to the CGT regime in the Finance Act 2008 which was pre-announced in the October 2007 Pre-Budget Report. The reform appears to have led to significant amounts of forestalling to avoid an impending rise in the tax rate for business assets.

There was some recovery in 2009-10, with numbers of liable individuals up by 14% and their gains and CGT liability both increased by around a third. As there were no significant changes made to CGT in the 2009 budget it is likely that the higher numbers of individual taxpayers and gains reflect the better economic conditions in 2009-10, particularly in the second half of the financial year. It is also likely to reflect 2008-09 being depressed to some extent by forestalling increasing the gains in 2007-08.

Further recovery occurred in 2010-11 with individuals' gains up by 25% and the number of individual taxpayers increased by 12%. The reasons for this are more complex as in addition to any changes in economic conditions in 2010-11, there was an increase in CGT tax rates for many, following the June 2010 Budget. As some increase was widely anticipated due to media speculation it is likely that some taxpayers realised their gains earlier in 2010-11, before the tax increases took place. Although some of these disposals would have been made then instead of later in the year it is likely that some were brought forward from a later year, particularly 2011-12, boosting the overall gains in 2010-11. The continuing uncertainties in asset markets may also have encouraged this. As expected, and in line with the 2010-11 forestalling, there were reductions in 2011-12 in numbers of taxpayers (down 14%), amounts of gains (down 9%) and amounts of CGT (down 11%). The CGT liabilities in 2012-13 were very similar to those in the previous year, with only small increases in the number of taxpayers (up 5%), amounts of total gains (up 1%) and amounts of CGT (up less than 1%), suggesting that the effects of forestalling from the 2010-11 tax changes continued into 2012-13.

There were considerable changes in 2013-14 compared to the previous year. Total liabilities for CGT increased to £5.5 billion compared to £3.8bn in 2012-13. CGT liabilities for individuals were up by 43% to £5.0bn. These increases reflected a likely fall in the impact of any forestalling in anticipation of the 2010-11 tax increases, as well as growth in the housing and equities markets.

Furthermore, in the latest year, 2014-15, provisional figures indicate that there were considerable increases in comparison to 2013-14. The total amount of liabilities increased by 25%, from £5.5bn to £6.9bn. The number of total taxpayers also increased by 13%, from 214,000 to 242,000. These increases are likely to be related to increases in house

prices, the number of house transactions and the prices of equities since the previous year, all of which resulted in an increase in disposals and the value of chargeable gains.

The number of trusts liable to CGT remained relatively stable at around 20,000 per year over the three years up to and including 2007-08, decreasing to around 13,000 in 2008-09. Over the following four years to 2012-13, the number of trusts liable to CGT recovered slightly to between 14,000 and 18,000 each year. However in 2013-14, the number of trusts liable to CGT increased to 20,000 and gains increased by 56% to £2.1bn with tax liabilities increasing by 56% as well to £539m. In 2014-15 the number of taxpaying trusts decreased to 19,000 although the amount of gains and tax went up by 44% and 46% respectively.

The percentage of male and female taxpayers is shown next to the numbers of individuals from 2004-05 onwards. In the period for which data is available, there are more CGT liable males than females. During the period 2004-05 to 2009-10, the male proportion of individuals liable for CGT rose slightly from 58% to 60% (with a complementary decrease from 42% to 40% in the female proportion). The proportion of males dropped back to 59% (with a complementary increase to 41% in CGT liable females) in 2010-11 with the split unchanged from 2010-11 to 2011-12, and dropped further to 58% (with 42% females) in 2012-13, returning to a split similar to that seen in 2004-05. The proportion of males fell back to 57% in 2013-14 and 2014-15.

14.1 Capital Gains Tax

Estimated taxpayer numbers, gains and tax accruals by year of disposal, 1987-88 to 2014-15

Numbers: thousands; Amounts: £ millions

Year of disposal	Individuals				Trusts ¹			All taxpayers			
	Number ²	Males as % of total	Females as % of total	Amounts of gains ³	Amounts of tax	Number	Amounts of gains ³	Amounts of tax	Number	Amounts of gains ³	Amounts of tax
1987-88	135			7,994	1,993	17	718	182	152	8,712	2,175
1988-89	135			5,366	1,637	16	626	155	151	5,992	1,792
1989-90	127			4,832	1,495	17	654	163	144	5,486	1,658
1990-91	96			2,912	869	12	419	107	108	3,332	976
1991-92	75			2,634	804	10	365	90	85	2,999	894
1992-93	60			1,885	539	9	275	67	70	2,160	606
1993-94	77			2,740	809	12	445	110	90	3,185	919
1994-95	64			2,212	651	10	367	93	73	2,579	745
1995-96	86			3,131	890	13	809	220	98	3,940	1,110
1996-97	97			3,918	1,203	20	1,053	255	117	4,971	1,458
1997-98	142			5,444	1,657	28	1,575	369	170	7,019	2,026
1998-99	135			5,958	1,936	25	998	313	160	6,956	2,249
1999-00	185			8,761	2,821	27	1,493	475	212	10,254	3,296
2000-01	178			7,732	2,425	25	1,256	394	203	8,987	2,819
2001-02	122			4,556	1,324	16	816	257	139	5,372	1,581
2002-03	133			6,588	2,052	12	774	249	144	7,362	2,301
2003-04	153			6,869	2,037	13	986	319	166	7,855	2,356
2004-05	181	58%	42%	9,170	2,792	15	1,076	409	196	10,247	3,201
2005-06	204	58%	42%	11,562	3,599	21	1,215	452	225	12,777	4,052
2006-07	242	58%	42%	15,404	4,893	23	1,460	550	264	16,864	5,444
2007-08	250	59%	41%	20,874	6,961	21	1,910	733	272	22,784	7,694
Amounts of gains and tax from 2008-09 onwards when taper relief abolished, the 18% CGT rate and entrepreneurs' relief introduced, are not directly comparable with amounts in earlier years.											
2008-09 ⁴	133	60%	40%	14,005	2,266	13	1,614	282	146	15,620	2,548
2009-10 ^{4,5}	152	60%	40%	18,502	3,012	16	2,241	389	168	20,743	3,401
Amounts of tax from 2010-11 onwards are not directly comparable to earlier years because of the introduction of a higher tax rate applying to some taxpayers from 23 June 2010											
2010-11 ^{4,5}	170	59%	41%	23,192	3,811	18	2,338	477	188	25,530	4,288
2011-12 ⁶	148	59%	41%	21,662	3,422	14	1,592	410	162	23,254	3,832
2012-13 ⁶	156	58%	42%	22,163	3,500	15	1,370	346	171	23,533	3,846
2013-14 ⁶	194	57%	43%	30,297	5,001	20	2,133	539	214	32,431	5,540
2014-15 ⁶	223	57%	43%	37,651	6,118	19	3,062	785	242	40,713	6,903

¹ Includes personal representatives of the deceased.

² Before the introduction of Independent Taxation in 1990-91 each taxpaying married couple counted as one "individual". From 1990-91 each person in a marriage or civil partnership who has with a Capital Gains Tax liability is counted separately.

³ Unless otherwise stated gains are after the deduction of taper relief and losses plus attributed gains but before deduction of the Annual Exempt Amount. Different taper rates applied during the period from 1998-99 to 2007-08 when taper relief applied.

⁴ Amounts of gains in 2008-09 (when taper relief was abolished and the 18% CGT rate and Entrepreneur's Relief introduced), 2009-10 and 2010-11 (when a higher rate of 28% was introduced after 23 June) are not comparable with earlier years. Amounts of gains since 2011-12 are comparable only with each other as they are the only full years when a higher rate of 28% applied to high enough gains.

⁵ Provisional, however any changes to these figures are likely to be very small.

⁶ Provisional.

Figure 1 shows the total change in gains and tax liabilities between 1987-88 and 2014-15.

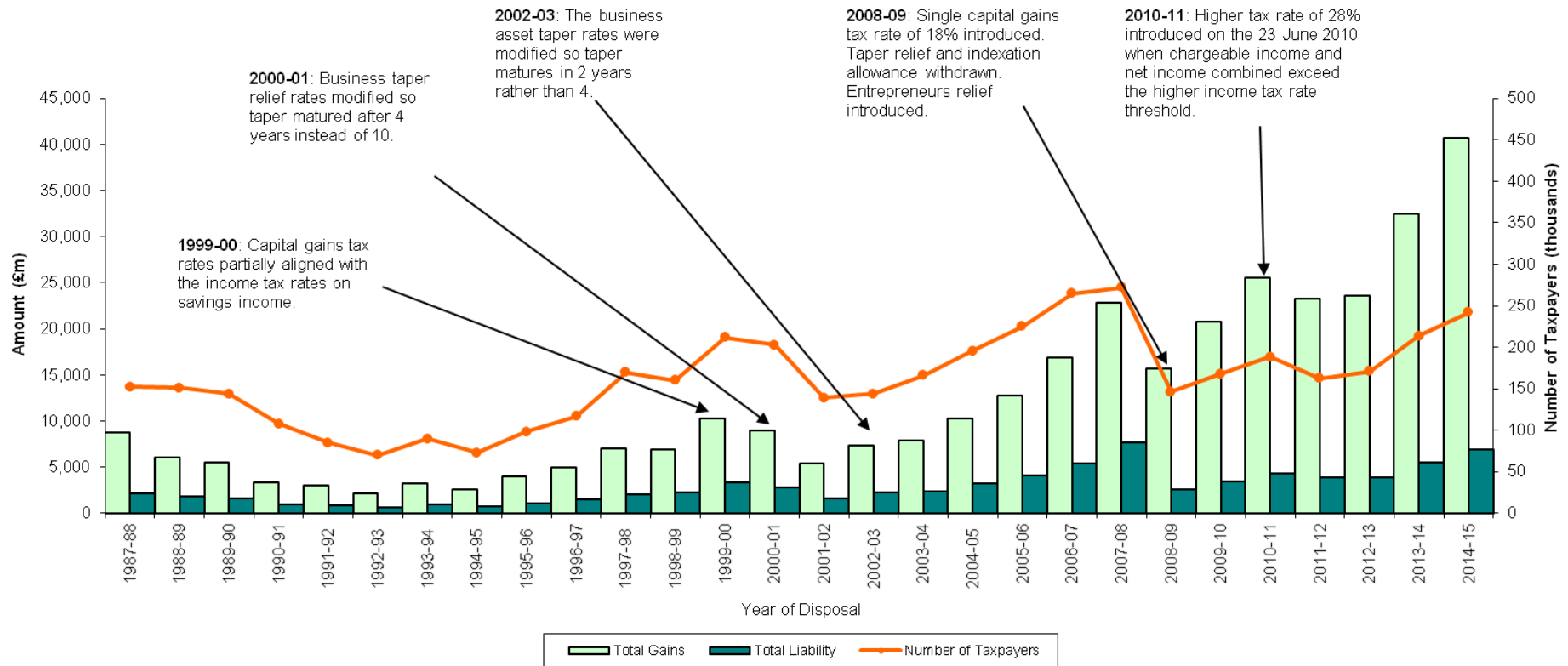


Figure 1. Total gains and tax paid by year of disposal

Note. The gain on assets held on 31 March 1982 would normally be computed by reference to the value on that date. This is known as 'rebasings'.

*Gains before 2007-08 are not comparable due to taper relief.

Table 14.2 Estimated taxpayer numbers, gains and tax accruals by year of disposal and size of gain, tax years 2009-10 to 2014-15

This table gives supplementary analyses of CGT from Self Assessment data for the last five years of disposal. The totals by range of gain are consistent with those for the same years in **Table 14.1**, and the numbers reflect both individuals and trusts.

Changes in the distribution from year to year depended on the gain range. For example the percentage of CGT derived from all taxpayers with gains above £500,000 (including those with gains over a million), remained steady at around 62% to 63% from 2010-11 to 2012-13 before increasing to 65% in 2013-14 and further in 2014-15 to 67%. The proportion of CGT from taxpayers with gains below £500,000 has declined from 37% in 2010-11 to 33% in 2014-15. The current pattern indicates that value of disposals are generally increasing for those disposing at the top end.

Despite most the gains coming from the higher ranges, the largest proportion of CGT taxpayers – which for this table includes trusts as well as individuals - have gains in the range of £10,000 to £25,000. The percentage of taxpayers in this range increased from 41% in 2011-12 to 43% in 2012-13 but dropped back to 41% in 2013-14 and to 40% in 2014-15. The percentage of taxpayers with gains of more than £1 million increased from around 2% in 2011-12 to 3% in 2014-15.

The amount of gains and amount of tax liability both showed an annual increase of 32% and 29% respectively in 2014-15, for taxpayers – which includes trusts as well as individuals - with gains of £1m or over. This was the range with the largest annual increase in gains and tax in 2013-14 and 2014-15, although there was also an increase in gains and taxes where gains were between £500,000 and £1m in both years.

14.2 Capital Gains Tax

Estimated taxpayer numbers, gains and tax accruals by year of disposal and size of gain, 2010-11 to 2014-15

Numbers: thousands; Amounts: £ millions

Range of gain (low er limit) £	Individuals			Trusts ¹			All taxpayers		
	Number	Amounts of gains ²	Amounts of tax	Number	Amounts of gains ²	Amounts of tax	Number	Amounts of gains ²	Amounts of tax
Disposals in 2010-11^{3 5}									
1	-	-	-	7	41	4	8	43	4
10,000	74	1,142	77	4	64	11	78	1,206	88
25,000	38	1,357	184	2	83	17	41	1,439	201
50,000	26	1,820	300	2	115	25	28	1,936	325
100,000	18	2,793	484	1	216	48	20	3,009	533
250,000	7	2,343	401	1	202	44	7	2,544	444
500,000	4	2,583	428	0	199	44	4	2,782	472
1,000,000	3	11,154	1,933	0	1,417	284	4	12,571	2,217
Total ⁶	170	23,192	3,811	18	2,338	477	188	25,530	4,288
Disposals in 2011-12 ^{4 5}									
1	-	-	-	6	37	4	7	39	5
10,000	62	992	67	3	55	10	66	1,047	78
25,000	34	1,220	171	2	60	14	36	1,279	185
50,000	22	1,542	266	1	79	20	23	1,621	286
100,000	16	2,443	429	1	134	36	17	2,577	466
250,000	6	2,166	362	0	133	36	7	2,300	398
500,000	3	2,347	376	0	124	34	4	2,471	410
1,000,000	3	10,950	1,749	0	970	254	4	11,920	2,004
Total ⁶	148	21,662	3,422	14	1,592	410	162	23,254	3,832
Disposals in 2012-13 ^{4 5}									
1	-	-	-	7	38	4	7	38	4
10,000	71	1,107	74	4	60	11	74	1,167	85
25,000	35	1,221	176	2	67	16	36	1,288	192
50,000	22	1,505	268	1	91	24	23	1,596	291
100,000	16	2,399	441	1	146	39	17	2,545	480
250,000	6	2,158	373	0	131	35	7	2,289	409
500,000	3	2,425	400	0	151	39	4	2,576	439
1,000,000	4	11,349	1,765	0	685	178	4	12,035	1,943
Total ⁶	156	22,163	3,500	15	1,370	346	171	23,533	3,846
Disposals in 2013-14 ^{4 5}									
1	-	-	-	8	48	5	9	49	6
10,000	83	1,339	91	5	80	14	88	1,419	105
25,000	44	1,551	226	3	94	22	46	1,645	249
50,000	28	1,970	360	2	130	33	30	2,100	393
100,000	21	3,195	598	1	202	54	22	3,397	652
250,000	8	2,853	507	1	196	53	9	3,049	560
500,000	4	2,997	507	0	198	52	5	3,195	559
1,000,000	5	16,391	2,711	0	1,185	304	5	17,576	3,015
Total ⁶	194	30,297	5,001	20	2,133	539	214	32,431	5,540
Disposals in 2014-15 ^{4 5}									
1	-	-	-	7	44	4	8	46	5
10,000	92	1,484	100	5	76	14	97	1,560	114
25,000	51	1,802	265	3	93	22	53	1,895	287
50,000	34	2,374	442	2	130	33	36	2,504	475
100,000	24	3,789	726	1	204	55	26	3,993	781
250,000	9	3,256	585	1	192	51	10	3,447	637
500,000	6	3,870	653	0	216	58	6	4,086	711
1,000,000	6	21,075	3,345	0	2,108	548	7	23,182	3,892
Total ⁶	223	37,651	6,118	19	3,062	785	242	40,713	6,903

¹ Includes personal representatives of the deceased.

² Unless otherwise stated gains are after deduction of losses plus attributed gains but before deduction of the Annual Exempt Amount.

³ Provisional. However any changes in figures are likely to be very small

⁴ Provisional

⁵ Totals may not sum due to rounding.

- negligibly small or zero.

Table 14.3 Estimated number of individual taxpayers, gains and tax accruals by year of disposal, size of gain and income, tax years 2010-11 to 2014-15

This table shows the distribution of individual taxpayer numbers and gains broken down by range of gain and by range of taxable income for individuals. Taxable income is income net of allowances and reliefs – see background notes to the Income Tax section. The intermediate income bands reflect starting and basic rate limits each year. Disposals from 2010-11 onwards include an income band above the £150,000 threshold to provide data on gains for those who paid the additional rate of income tax. (In 2010-11, the 50% income tax rate was introduced for taxable income above £150,000. This was reduced to 45% for the 2013-14 tax year.)

There is a clear pattern to the distribution with large numbers of individuals making smaller gains falling into the lower income categories, while most individuals making gains in excess of £1 million fall into the category representing the highest income range. Only the four latest years, 2011-12, 2012-13, 2013-14 and 2014-15 have consistent tax regimes (with minor changes between them) because of changes in the way gains were taxed in earlier years. There were only very minor changes in the tax regime between 2010-11 and 2011-12 but the years are not comparable because the change to 2010-11 did not occur until June 2010. This means that we did not have a whole year in 2010-11 with a similar tax regime to 2011-12.

The percentage of individual taxpayers with CGT gains, with a taxable income below the higher (40%) rate limit was between 53% and 59% in all five years, peaking at 59% in 2010-11, accounting for between 26% and 29% of all gains. The gains made by taxpayers with a taxable income above £100,000 has accounted for just under half of total CGT payer gains between 2010-11 and 2014-15 which the exception of just over half of total CGT payer gains in 2013-14.

There were 13% more individual CGT payers with taxable income over £150,000 in 2014-15 compared to 2013-14. These taxpayers made 17% more gains in 2014-15 than in the previous year. In the high income, high gain category where taxable income was over £150,000 and gains were over £1m there were 19% more individual CGT taxpayers and 18% more gains.

14.3 Capital gains tax

Estimated number of individual taxpayers and gains by year of disposal, size of gain and income net of deductions, 2009-10 to 2013-14 ^{1,2}

Numbers: thousands; Amounts: £ millions

Range of gain ² (lower limit) £	Amounts of Number gains		Amounts of Number gains		Amounts of Number gains		Amounts of Number gains		Amounts of Number gains			
	Number	gains	Number	gains	Number	gains	Number	gains	Number	gains		
Disposals in 2010-11 3												
	Range of taxable income (lower limit) £											
	0		37,400		50,000		100,000		150,000		All 5	
1	0	1	0	0	0	0	0	0	0	1	2	
10,000	47	732	7	101	11	163	4	61	6	85	74	1,142
25,000	25	873	3	110	5	190	2	75	3	109	38	1,357
50,000	15	1,056	2	168	4	293	2	120	3	184	26	1,820
100,000	9	1,308	2	259	4	552	2	270	3	403	18	2,793
250,000	2	842	1	219	1	478	1	258	2	545	7	2,343
500,000	1	738	0	211	1	571	0	322	1	741	4	2,583
1,000,000	1	1,194	0	393	1	1,393	0	1,230	1	6,944	3	11,154
All 5	100	6,744	15	1,459	27	3,640	11	2,336	18	9,012	170	23,192
Disposals in 2011-12 4												
	Range of taxable income (lower limit) £											
	0		35,000		50,000		100,000		150,000		All 5	
1	0	1	0	0	0	0	0	0	0	1	2	
10,000	38	607	7	106	9	145	4	56	5	78	62	992
25,000	22	771	3	121	5	166	2	63	3	99	34	1,220
50,000	13	867	2	167	4	250	1	99	2	160	22	1,542
100,000	7	1,109	2	290	3	485	1	206	2	353	16	2,443
250,000	2	774	1	231	1	455	1	256	1	451	6	2,166
500,000	1	656	0	218	1	489	0	290	1	694	3	2,347
1,000,000	1	1,325	0	515	1	1,514	0	1,271	1	6,324	3	10,950
All 5	84	6,109	16	1,649	23	3,504	10	2,240	16	8,160	148	21,662
Disposals in 2012-13 4												
	Range of taxable income (lower limit) £											
	0		34,370		50,000		100,000		150,000		All 5	
1	0	-	0	-	0	-	-	-	0	-	0	-
10,000	41	642	8	130	11	171	4	66	6	98	71	1,107
25,000	21	753	4	123	5	168	2	71	3	105	35	1,221
50,000	12	834	2	164	3	240	1	100	2	167	22	1,505
100,000	7	1,083	2	284	3	454	1	206	2	372	16	2,399
250,000	2	759	1	235	1	440	1	245	1	478	6	2,158
500,000	1	672	0	244	1	498	0	298	1	713	3	2,425
1,000,000	1	1,299	0	733	1	1,498	0	1,489	2	6,331	4	11,349
All 5	85	6,042	17	1,913	25	3,469	11	2,476	18	8,264	156	22,163
Disposals in 2013-14 4												
	Range of taxable income (lower limit) £											
	0		32,010		50,000		100,000		150,000		All 5	
1	0	1	0	0	0	0	0	0	0	1	2	
10,000	48	773	12	182	12	198	4	71	7	115	83	1,339
25,000	27	938	5	181	6	206	2	80	4	146	44	1,551
50,000	15	1,050	4	254	4	307	2	129	3	230	28	1,970
100,000	9	1,360	3	420	4	600	2	271	3	544	21	3,195
250,000	3	945	1	353	2	562	1	305	2	689	8	2,853
500,000	1	813	0	327	1	571	0	326	1	959	4	2,997
1,000,000	1	1,852	0	855	1	2,171	1	1,666	2	9,847	5	16,391
All 5	103	7,731	25	2,572	30	4,616	12	2,848	24	12,531	194	30,297
Disposals in 2014-15 4												
	Range of taxable income (lower limit) £											
	0		31,865		50,000		100,000		150,000		All 5	
1	0	1	0	0	0	0	0	0	0	1	2	
10,000	53	872	12	196	13	215	5	75	8	125	92	1,484
25,000	31	1,102	6	209	7	237	2	81	5	172	51	1,802
50,000	19	1,322	4	293	5	354	2	142	4	263	34	2,374
100,000	11	1,746	3	489	4	666	2	292	4	596	24	3,789
250,000	3	1,149	1	404	2	645	1	322	2	735	9	3,256
500,000	2	1,118	1	441	1	749	1	430	2	1,132	6	3,870
1,000,000	1	3,056	1	1,397	1	2,794	1	2,180	3	11,648	6	21,075
All 5	121	10,366	28	3,430	33	5,662	13	3,521	27	14,673	223	37,651

¹ Figures are for individual taxpayers who have CGT liabilities only (i.e. do not include trusts), which is why there are few taxpayers with gains under £10,000.

² Unless otherwise stated, gains are after deduction of taper relief and losses plus attributed gains but before deduction of the Annual Exempt Amount.

³ Provisional. However any changes in figures are likely to be very small.

⁴ Provisional.

⁵ Totals may not sum due to rounding.

- negligibly small or zero.

Table 14.4 Numbers of individual claimants of Entrepreneurs' Relief and amounts of gain by year of disposal and size of gain on which Entrepreneurs' Relief claimed, 2010-11 to 2014-15

This table shows the number of claimants of Entrepreneurs' Relief by individuals (i.e. trusts are excluded from this table), the gains relieved by Entrepreneurs' Relief (which means since June 2010 gains paid at the 10% rate), other gains for these claimants and total gains before and after allowable losses and reliefs for disposals made between 2010-11 and 2014-15. The amount of Capital Gains Tax liability for these individuals is also shown and the information is given by ranges of gain on which Entrepreneurs' Relief was claimed. In all cases (apart from the column headed "Amount of gains after losses and reliefs") the gain on which Entrepreneurs' Relief is claimed has been shown before the reduction in the gain due to Entrepreneurs' Relief.

In 2010-11 qualifying gains for Entrepreneurs' Relief were claimed as a relief up to 23 June 2010. The tax rate was 18% but the relief reduced the effective tax rate to 10%. For the remaining part of 2010-11 and since, tax has been simply charged at the lower rate of 10%. In these tables gains enjoying either the relief or the reduced tax rate have all been treated as claimants of the relief.

[Previous editions of this publication](#) reported that around 31,000 taxpayers claimed Entrepreneurs' Relief when it was introduced in 2008-09 and this increased to 34,000 in 2009-10. Taxpayers claiming this relief also can have other gains which are ineligible. In 2010-11 the percentage gains which attracted Entrepreneurs' Relief was at 77% and continued to rise to 89% in 2011-12 and 92% in 2012-13. These increases corresponded to the raising of the lifetime limit for claims from £2m (as it was between March 2010 and June 2010) to £5m in June 2010 and to £10m from April 2011. The percentage of gains taxed at the ER rate fell back slightly to 89% in 2013-14. In 2014-15 the percentage gain which attracted Entrepreneurs' Relief increased again to 90%.

There was very little change in the number of claimants in 2011-12 but an increase of 5% in the tax they paid. Gains before losses on which Entrepreneurs' Relief was claimed went up from £9.6bn by a further £2.6bn (27%) to £12.2bn.

In 2012-13, for the first time, the number of claimants and the total tax they paid fell (down 8% and 7% respectively). Gains on which Entrepreneurs' Relief was claimed remained at a very similar level to the previous year (up 1%), but other gains fell by 32%.

In 2013-14 there were substantial increases in the numbers of taxpayers paying at the ER rate, amount of gains on which the rate was paid and the tax derived from these gains. The number of claimants rose to around 43,000, a year on year increase of around 18%. Gains paid at the lower 10% rate were up by 29% and ER claimants' gains not eligible for the 10% rate were up by 77%. The total CGT liability of people claiming Entrepreneurs' Relief increased by 39% to £2.0bn.

In 2014-15 there were increases in the number of taxpayers paying the ER rate, the amount of gains paid at the ER rate as well as the tax paid on these gains. The number of claimants was around 47,000, which is an increase of around 8% compared to 2013-14. Gains paid at the ER rate were up by 29% and the number of non-eligible ER claims increased by 19%. The total CGT liability of people claiming Entrepreneurs' Relief increased by 27% to £2.5bn.

Some other changes in the amounts of gains in these years were of particular note:

- The amount of gains where Entrepreneurs' Relief was claimed and gains were above £1million rose sharply by around 50% in 2011-12 to £7.3bn. The increase in the above £1million range accounted for virtually the whole of the increase of gains on which Entrepreneurs' Relief was claimed. In 2012-13 the amount of disposals where gains were above £1million increased by 7% but a fall in disposals in the smaller gain bands meant that total gains on which Entrepreneurs' Relief was claimed were only higher by less than 1% compared to the previous year. Of the £3.5bn increase in gains paid at the 10% rate in 2013-14, £2.5bn of the increase was accounted for by gains over £1m.
- In 2011-12 other gains for those claiming Entrepreneurs' Relief over £1m went down by nearly half, and fell again in 2012-13 by 39%, to £864m; however, it increased in 2013-14 by 78% to £1.5bn. In 2014-15 this category increased by 12% to £1.7bn. The lifetime limit increased to £10m in 2011-12.
- The total CGT liability arising from where taxpayers had gains over £1m enjoying Entrepreneurs' Relief increased in 2011-12 to £1.1bn which is a relatively modest increase of 7%, and it fell in 2012-13 by 8% to £1bn. In 2013-14 there was a relatively large increase in the tax liability for gains over £1m - increasing by 44% to £1.4bn. In 2014-15 there was an increase of 29% in tax liability for gains over £1m. Of the £543m extra tax paid at the ER rate compared to 2013-14, £413m of the increase came from gains of over £1m.

- In 2014-15, the number of ER claimants with total gains over £1m increased again, by 8%, paying 27% more CGT in total.

An increase in gains qualifying for ER was to be expected as a result of increased claim limits in both 2010-11 and 2011-12. In the March 2010 budget the lifetime limit on which Entrepreneurs' Relief could be claimed went up from £1m to £2m and increased further in the June budget of that year to £5m. The overall amounts of disposals are also likely to have been influenced by the mid-year policy change. A further increase in the lifetime limit to £10m in 2011-12 also led to increased gains qualifying for ER as discussed above. The increase particularly affected the high end of the distribution. The increase in the lifetime limit for ER gains in 2010-11 and 2011-12 meant more gains qualified, and therefore there were fewer other gains not qualifying, where taxpayers had qualifying gains.

14.4 Capital Gains Tax

Numbers of individual claimants of Entrepreneurs' Relief and amounts of gain by year of disposal and size of gain on which Entrepreneurs' Relief claimed, 2010-11 - 2014-15 ^{1, 2}

Numbers thousands; Amounts Millions

Range of gain on which Entrepreneurs' Relief claimed ² (lower limit)	Gross gains before Entrepreneurs' Relief applied			Total gross gains ^{3, 4}	Amount of gains ^{3, 4} after losses and reliefs	Amounts of tax
	Number of claimants ¹	Number of which Entrepreneurs' Relief claimed ^{2, 3, 4}	Number of which Entrepreneurs' Relief not claimed ^{3, 4}			
Disposals in 2010-11 ^{5, 7}						
1	2	10	22	33	19	3
10,000	8	143	27	169	132	8
25,000	8	272	22	294	249	21
50,000	7	508	57	565	472	48
100,000	7	1,121	80	1,201	1,012	113
250,000	4	1,242	41	1,283	1,058	122
500,000	2	1,575	40	1,616	1,321	155
1,000,000	2	4,776	2,666	7,441	6,739	1,012
Total ⁸	40	9,646	2,955	12,602	11,001	1,482
Disposals in 2011-12 ⁶						
1	2	9	13	21	13	2
10,000	8	133	17	150	137	8
25,000	8	278	18	295	281	22
50,000	7	508	29	537	516	48
100,000	7	1,175	36	1,212	1,163	112
250,000	4	1,290	33	1,323	1,282	127
500,000	2	1,519	24	1,543	1,503	150
1,000,000	3	7,306	1,405	8,711	8,559	1,085
Total ⁸	40	12,218	1,575	13,793	13,454	1,553
Disposals in 2012-13 ⁶						
1	2	9	17	25	15	2
10,000	8	137	18	155	141	8
25,000	6	223	14	238	227	18
50,000	6	441	28	468	445	40
100,000	7	1,030	52	1,082	1,034	103
250,000	3	1,199	29	1,228	1,187	118
500,000	2	1,496	50	1,546	1,507	155
1,000,000	3	7,785	864	8,649	8,531	995
Total ⁸	37	12,320	1,072	13,392	13,088	1,439
Disposals in 2013-14 ⁶						
1	2	9	22	31	22	4
10,000	9	150	85	235	218	26
25,000	7	256	24	280	268	22
50,000	7	512	35	548	526	48
100,000	8	1,324	67	1,391	1,342	133
250,000	4	1,492	70	1,562	1,521	156
500,000	3	1,815	55	1,870	1,824	186
1,000,000	3	10,288	1,538	11,826	11,685	1,430
Total ⁸	43	15,847	1,898	17,745	17,406	2,004
Disposals in 2014-15 ⁶						
1	2	9	25	33	23	4
10,000	9	154	46	200	183	14
25,000	7	259	29	288	275	23
50,000	8	546	59	605	585	58
100,000	9	1,431	182	1,613	1,567	176
250,000	5	1,685	82	1,767	1,721	178
500,000	3	2,334	113	2,447	2,391	251
1,000,000	4	14,076	1,726	15,802	15,613	1,843
Total ⁸	47	20,494	2,261	22,755	22,357	2,547

¹ Claimants can be individuals or trusts but figures in this table are for individuals only.

² Gain on which Entrepreneurs' Relief is claimed is shown gross of the part of the gain which is relieved.

³ As it is not possible to allocate losses between gains on which Entrepreneurs' Relief is claimed and other gains, information on gains split into these categories is given before losses, but a column is given for gains after losses which are claimed on all gains.

⁴ Gains are before deduction of Annual Exempt Amount.

⁵ Provisional, however any changes in figures are likely to be very small.

⁶ Provisional.

⁷ The lifetime limit for gains qualifying for Entrepreneurs' Relief increased from £1m for to £2m in March 2010. It increased further to £5m for disposals made after 23 June 2010 and to £10m from April 2011 onwards.

⁸ Totals may not sum due to rounding.

Table 14.5 Gains and tax accruals for individuals by UK region and country, 2001-11 to 2014-15

This table was introduced in 2013 following some interest shown in regional CGT information in the 2011 user consultation and from within Government.

In all years in the table the south east of England had the highest number of CGT payers, followed by London, with the north east of England and Northern Ireland having the fewest. Taken together London and the south east of England made up 42% of individuals who were liable to CGT in the UK in 2014-15. In the earlier years of the table the equivalent percentage varied from 38% to 41%. London and the south east of England realised 48% of the gains and had 52% of the tax liability in 2014-15 which was an increase from 2013-14, where the equivalent numbers were 44% and 47% respectively.

The largest increase in the regional share of CGT taxpayers between 2010-11 and 2014-15 was in the south east of England (up by 2 percentage points) and the biggest decrease was in Scotland (down by 1 percentage point). The largest increase in the regional share of gains was in London (up by 2 percentage points) and the biggest decrease was in Yorkshire and the Humber and Scotland (down by around 1 percentage point). For CGT liability the largest increase was for London (up 4 percentage points) and the largest fall was for Yorkshire and the Humber (down 2 percentage points). The relatively small changes between 2010-10 and 2014-15 point to a fairly stable regional distribution.

14.5 Capital Gains Tax

Estimated number of individuals, gains and tax accruals by UK country, 2010-11 to 2014-15

Numbers: thousands; Amounts: £ millions

UK Country	Tax year														
	2010-11 ³			2011-12 ³			2012-13 ³			2013-14 ³			2014-15 ⁴		
	Number	Amount of gains ¹	Amount of tax	Number	Amount of gains ¹	Amount of tax	Number	Amount of gains ¹	Amount of tax	Number	Amount of gains ¹	Amount of tax	Number	Amount of gains ¹	Amount of tax
England	150	20,968	3,479	130	19,244	3,068	138	19,950	3,192	173	27,491	4,592	200	34,479	5,658
North East	3	439	64	3	384	51	3	327	46	4	594	85	4	547	81
North West	12	1,618	244	11	1,752	258	11	1,750	247	13	2,411	406	15	2,592	383
Yorkshire and the Humber	10	1,647	258	9	1,033	140	9	1,353	195	11	1,541	227	12	2,201	318
East Midlands	10	1,098	164	9	1,194	161	9	1,245	177	11	1,666	236	12	1,840	257
West Midlands	10	1,195	191	9	1,268	190	10	1,147	157	12	1,641	249	13	2,072	293
East of England	18	2,249	374	16	2,166	356	17	2,365	370	21	3,493	564	26	4,033	637
London	30	5,262	939	26	4,640	843	28	4,856	872	37	6,768	1,278	44	9,282	1,746
South East	36	5,340	913	31	4,754	758	33	4,830	816	42	6,487	1,087	49	8,603	1,423
South West	20	2,121	332	17	2,054	311	18	2,077	313	23	2,889	460	25	3,308	520
Wales	6	489	70	5	467	66	5	491	65	6	610	88	6	803	115
Scotland	12	1,439	223	10	1,633	243	10	1,448	211	12	1,831	271	13	1,913	279
Northern Ireland	3	296	39	3	317	45	2	274	32	3	366	50	3	457	66
All ²	170	23,192	3,811	148	21,662	3,422	156	22,163	3,500	194	30,297	5,001	223	37,651	6,118

¹ Net chargeable gains before deduction of the Annual Exempt Amount.

² Totals may not sum due to rounding.

³ Provisional, how ever any changes in figures are likely to be very small.

⁴ Provisional.

Table 14.6 Estimated number of taxpayer disposals, value of disposals, and chargeable gains by type of asset disposed of in 2013-14

The estimates shown in table 14.6 are derived from a sample survey of capital gains computations. The values are scaled to the Capital Gains Tax liable population using the ratio of population gains to grossed survey gains, so that the chargeable gains are consistent with estimates for the same year in table 14.1 in this report.

CGT taxpayers disposed of assets worth £81bn in 2013-14 and realised gains of £32bn. Financial assets made up 86% of all disposals, accounted for 71% of the total disposal amount, and 72% of total chargeable gains. The financial assets with the largest chargeable gain as a proportion of disposal value in 2013-14 were UK and foreign shares not listed on the London stock exchange, at 65%. This type of asset accounted for 24% of total disposals, 33% of the total disposal amount, and 54% of total chargeable gains. For financial assets as a whole, gains as a percentage of disposal value fell from 45% in 2012-13 to 40% in 2013-14.

[In previous editions of this report](#), gains as a percentage of total disposal proceeds were around 50% for unlisted shares in 2008-09. This increased slightly to around 54% for 2009-10 and 55% for 2010-11. However the percentage increased more markedly, to around 65%, from 2011-12 to 2013-14. Gains as a proportion of disposal proceeds fell from 30% for listed shares in 2011-12 to 26% in both 2012-13 and 2013-14.

The largest component of non-financial assets is residential property, which accounted for 9% asset-by-asset, 19% of all disposal value, and 14% of gains across all Capital Gains assets. The aggregate gain for non-financial assets was 39% of non-financial disposal proceeds in 2013-14, slightly lower than the 45% the previous year. Previous to that it was 44% in 2011-12, 38% in 2010-11, 36% in 2009-10 and 41% in 2008-09.

Total chargeable gains rose significantly by 38% in 2013-14 compared to 2012-13, but the number and value of disposals increased by less for number of disposals (this increased by 32%) and more for total value (this increased by 55%), indicating a lower average chargeable gain than in 2012-13. The largest increases in chargeable gains were in shares listed on the London exchange, which had 52% higher chargeable gains, mainly due to a 46% increase in the value of disposals.

Gains as a percentage of disposal value for assets as a whole reduced in 2013-14, from 45% to 40%, although the value of disposals and the chargeable gains were up, from £52bn to £81bn and from £23bn to £32bn respectively.

14.6 Capital Gains Tax

Estimated number of taxpayer disposals, value of disposals, and chargeable gains by type of asset disposed of in 2013-14

Numbers: thousands; Amounts: £ millions

Type of asset (at time of disposal)	Number of disposals		Value of disposals		Chargeable gains ¹		Chargeable gains as % of disposal value
	Number	% of total	Amount	% of total	Amount	% of total	
Financial assets:							
UK & foreign ordinary shares listed on the London exchange	495	55	16,435	20	4,300	13	26
UK & foreign shares not listed on the London exchange	210	24	26,708	33	17,476	54	65
Other financial assets ²	61	7	14,323	18	1,467	5	10
All financial assets ³	767	86	57,466	71	23,244	72	40
Non-financial assets:							
UK & Foreign agricultural land and buildings	3	0	1,065	1	546	2	51
UK & Foreign commercial/industrial land and buildings	7	1	1,362	2	503	2	37
UK & Foreign residential/land and buildings	76	9	15,005	19	4,567	14	30
Other non-financial assets ⁴	41	5	6,144	8	3,571	11	58
All non-financial assets ³	127	14	23,576	29	9,187	28	39
All assets ³	893	100	81,041	100	32,431	100	40

¹ Before deduction of the Annual Exempt Amount; net of in-year losses.

² Other financial assets includes listed and unlisted securities, unit trusts, loan notes and unclassified financial assets.

³ Totals may not sum due to rounding.

⁴ Other non-financial assets includes collections, fine works of art, intangible assets (such as goodwill) and unclassified nonfinancial assets. Based on a random sample of around 10,000 taxpayers, stratified to reduce variability

Table 14.7 Analysis of taxpayer disposals by length of period of ownership and type of asset disposed of in 2013-14

The estimates in this table are derived from the same survey as used for **Table 14.6**. Pre-1998 assets for which no acquisition date is available are split over pre-1998 years assuming the same length of holding period distribution as those with known holding periods. All percentages quoted relating to holding periods are for where the holding period is known.

Table 14.7 shows that a much higher proportion of financial assets with a known holding period, 29%, were disposed of within a year than non-financial assets, of which only 11% of those with known holding periods were disposed of within that period. For financial assets with known holding periods around 9% had been held for 10 or more years on disposal. However for non-financial assets a much higher proportion, 54%, had been held for 10 or more years on disposal. For financial assets with known holding periods around 33% of the chargeable gain realised in 2013-14 was on assets held for more than 10 years whereas for non-financial assets this was much higher at 60%.

Some of the largest gains realised, as a percentage of disposal value, were on assets held for longer. For example, for financial assets held for 20 or more years, 89% of the disposal value was gains. For non-financial assets held for more than 25 years, 53% of the disposal value was gains, compared to around 40% across all holding periods across financial and nonfinancial assets.

Only 1% of financial assets with a known holding period were held for more than 25 years whereas 12% of non-financial assets were held that long. Only 6% of chargeable gains from financial assets of known holding period were from those held for more than 25 years whereas 18% of chargeable gains from non-financial assets of known holding periods were from assets held for that length of time.

Taxpayers who dispose of financial assets within six months of purchase, made much lower gains as a proportion of sale value compared to the previous year. This was largely due to lower gains as a proportion of sale value for those disposing within six months of purchase with 'other financial assets' (see table 14.8 where this category appears). This appears to be a genuine pattern of selling behaviour in 2013-14 rather than a statistical quirk, although it's not yet clear whether it will persist for the longer term.

14.7

Capital Gains Tax

Disposals by length of period of ownership and type of asset disposed of in 2013-14

Numbers: thousands; Amounts: £ millions

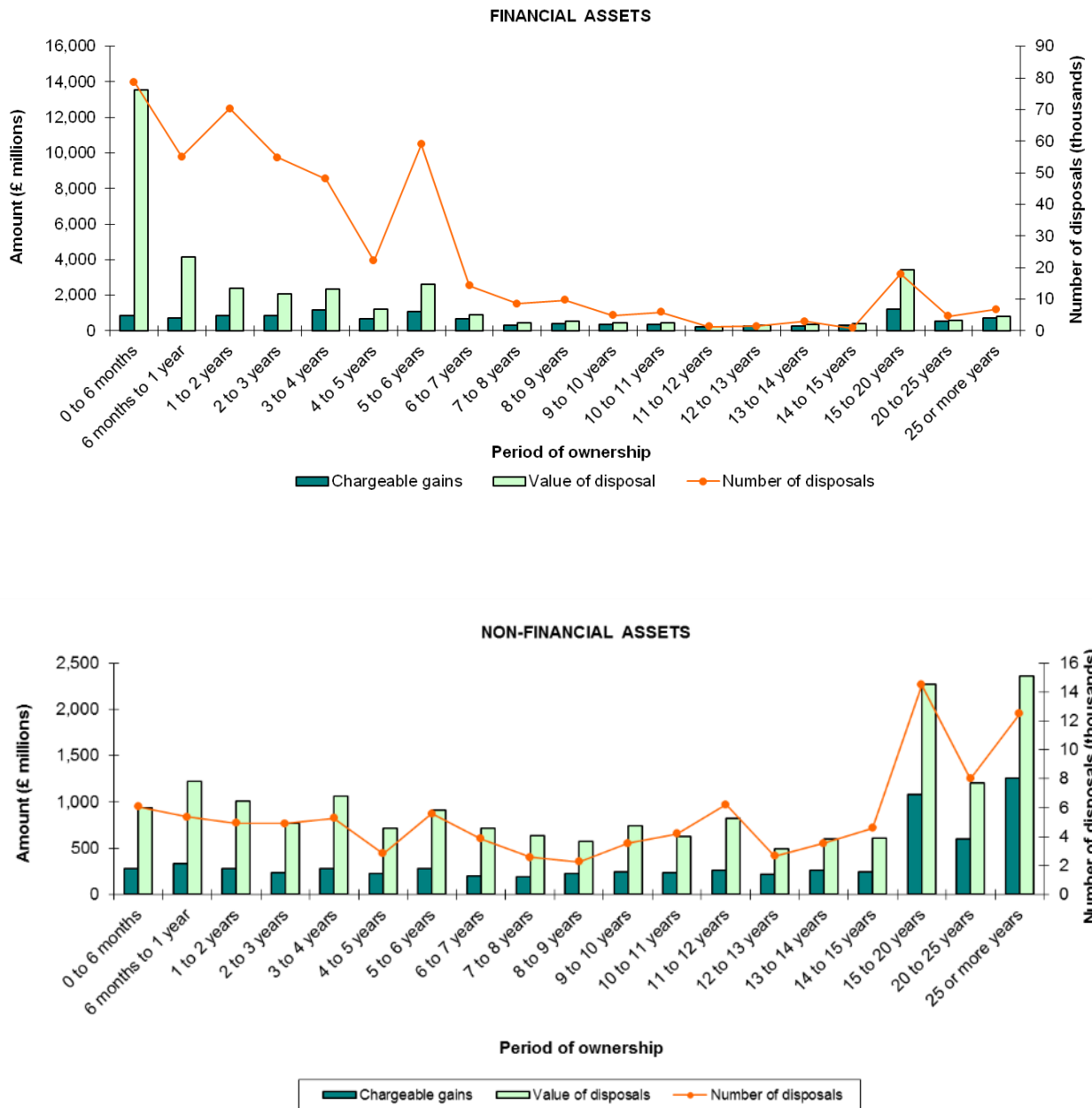
Length of period of ownership	Number of disposals		Value of disposals		Chargeable gains ¹		Chargeable gains as % of disposal value
	Number	% of asset sub-total	Amount	% of asset sub-total	Amount	% of asset sub-total	
Financial assets:							
0 to 6 months	79	10	13,531	24	869	4	6
6 months to 1 year	55	7	3,492	6	712	3	20
1 to 2 years	70	9	2,392	4	853	4	36
2 to 3 years	55	7	2,068	4	873	4	42
3 to 4 years	48	6	2,330	4	1,176	5	51
4 to 5 years	22	3	1,218	2	690	3	57
5 to 6 years	59	8	2,598	5	1,090	5	42
6 to 7 years	14	2	918	2	695	3	76
7 to 8 years	9	1	458	1	295	1	64
8 to 9 years	10	1	521	1	384	2	74
9 to 10 years	5	1	442	1	353	2	80
10 to 11 years	6	1	428	1	367	2	86
11 to 12 years	1	0	227	0	213	1	93
12 to 13 years	1	0	316	1	277	1	88
13 to 14 years	3	0	338	1	286	1	84
14 to 15 years	1	0	417	1	318	1	76
15 to 20 years	18	2	3,446	6	1,231	5	36
20 to 25 years	5	1	602	1	539	2	90
25 or more years	7	1	794	1	705	3	89
Unknown	300	39	20,928	36	11,317	49	54
All financial assets ²	767	100	57,466	100	23,244	100	40
Non-financial assets:							
0 to 6 months	6	5	932	4	278	3	30
6 months to 1 year	5	4	1,224	5	332	4	27
1 to 2 years	5	4	1,009	4	281	3	28
2 to 3 years	5	4	764	3	234	3	31
3 to 4 years	5	4	1,064	5	278	3	26
4 to 5 years	3	2	713	3	227	3	32
5 to 6 years	6	4	910	4	276	3	30
6 to 7 years	4	3	710	3	200	2	28
7 to 8 years	3	2	635	3	187	2	29
8 to 9 years	2	2	570	2	225	3	40
9 to 10 years	4	3	737	3	244	3	33
10 to 11 years	4	3	626	3	233	3	37
11 to 12 years	6	5	818	4	259	3	32
12 to 13 years	3	2	490	2	220	2	45
13 to 14 years	4	3	594	3	263	3	44
14 to 15 years	5	4	605	3	246	3	41
15 to 20 years	14	11	2,270	10	1,075	12	47
20 to 25 years	8	6	1,198	5	596	7	50
25 or more years	12	10	2,356	10	1,254	14	53
Unknown	24	19	5,350	23	2,278	25	43
All non-financial assets ²	127	100	23,576	100	9,187	100	39
All assets ²	893		81,041		32,431		40

¹ Before deduction of the Annual Exempt Amount; net of in-year losses.

² Totals may not sum due to rounding.

Based on a random sample of around 10,000 taxpayers, stratified to reduce variability

Figure 2. Number of disposals, disposal value, and chargeable gains in 2013-14 by length of ownership (excluding unknown lengths)



Note: Holding periods <1 year are shown in two 6-month intervals; holding periods >15 years are shown in two 5-year intervals; the final category captures all holding periods >25 years.

Table 14.8 Estimated number of taxpayer disposals, value of disposals, and chargeable gains by asset types disposed of in 2013-14

Table 14.8 is a further breakdown of the information in **Table 14.7**, giving information on disposals and gains by holding periods for more finely broken down categories of asset. For non-financial assets, we have used wider holding period intervals because of smaller sample sizes. Estimates are derived from the same sample survey as used for **Tables 14.6** and **14.7**.

The proportions of listed and unlisted shares sold in the first year for which holding periods are known are similar, around 28%. The most common period for holding listed is for less than 6 months, followed by 1-2 years and for unlisted shares the most common holding period is between 1 to 2 years, followed closely by 0-6 months.

For commercial and agricultural land and buildings, 74% of disposals with known holding periods were held for over 10 years which is higher than the equivalent 56% for residential land and buildings. Both these percentages are higher than the proportion of listed shares and unlisted shares (around 10% for both) held for more than 10 years.

Of disposals in 2013-14, 25% of commercial, agricultural and industrial land and buildings, and 9% of residential land and buildings had been held for over 25 years, while only 2% of listed shares and less than 1% of unlisted shares had been held for that long.

For residential land and buildings, 68% of assets with known hold periods were sold within 15 years, while the equivalent figure was 49% for agricultural, commercial and industrial land and buildings.

Unlisted shares disposed of in 2013-14 with holding periods of 3 to 4 years or more had total gains as a percentage of disposal proceeds greater than 65%, apart from holding periods of 5 to 6 years and 15 to 20 years. For listed shares this was only the case for shares held for 11 or more years (apart from shares held 12 to 13 years and 15 to 20 years). For non-financial assets the largest gains to disposal proceeds ratios were on agricultural land and buildings held for between 20 to 25 years (75%). For UK and foreign residential/ land and buildings the gains to disposals proceeds ratio was greatest for those held for 25 years or more.

14.8 Capital Gains Tax

Estimated number of taxpayer disposals, value of disposals, and chargeable gains by asset types disposed of in 2013-14

Numbers: thousands; Amounts: £ millions

Type of asset (at time of disposal)	Number of disposals		Value of disposals		Chargeable gains ¹		Chargeable gains as % of disposal value
	Number	% of total	Amount	% of total	Amount	% of total	
Financial assets:							
UK & foreign ordinary shares listed on the London exchange							
0 to 6 months	49	6	1,807	3	263	1	15
6 months to 1 year	36	5	1,652	3	226	1	14
1 to 2 years	43	6	865	2	208	1	24
2 to 3 years	38	5	799	1	246	1	31
3 to 4 years	30	4	822	1	254	1	31
4 to 5 years	14	2	296	1	128	1	43
5 to 6 years	39	5	1,126	2	205	1	18
6 to 7 years	7	1	194	0	82	0	42
7 to 8 years	7	1	126	0	64	0	51
8 to 9 years	7	1	124	0	55	0	44
9 to 10 years	2	0	85	0	54	0	64
10 to 11 years	5	1	93	0	58	0	63
11 to 12 years	1	0	20	0	15	0	74
12 to 13 years	1	0	26	0	11	0	41
13 to 14 years	2	0	65	0	43	0	66
14 to 15 years	0	0	145	0	114	1	78
15 to 20 years	10	1	716	1	217	1	30
20 to 25 years	3	0	94	0	71	0	76
25 or more years	5	1	128	0	98	0	77
Unknown	196	26	7,253	13	1,888	8	26
Total	495	65	16,435	29	4,300	19	26
UK & foreign shares not listed on the London exchange							
0 to 6 months	20	3	1,411	3	526	2	37
6 months to 1 year	15	2	1,228	2	399	2	33
1 to 2 years	21	3	1,217	2	575	3	47
2 to 3 years	11	1	1,089	2	577	3	53
3 to 4 years	12	2	1,189	2	780	3	66
4 to 5 years	6	1	728	1	510	2	70
5 to 6 years	18	2	1,266	2	806	4	64
6 to 7 years	7	1	694	1	595	3	86
7 to 8 years	2	0	306	1	217	1	71
8 to 9 years	2	0	368	1	309	1	84
9 to 10 years	2	0	305	1	257	1	85
10 to 11 years	1	0	318	1	293	1	92
11 to 12 years	1	0	202	0	194	1	96
12 to 13 years	1	0	271	1	249	1	92
13 to 14 years	1	0	251	0	231	1	92
14 to 15 years	0	0	255	0	192	1	76
15 to 20 years	7	1	2,488	4	946	4	38
20 to 25 years	1	0	483	1	452	2	94
25 or more years	1	0	626	1	573	3	92
Unknown	82	11	12,014	21	8,795	38	73
Total	210	27	26,708	47	17,476	75	65
Other financial assets ²	61	8	14,323	25	1,467	6	10
All financial assets ³	767	100	57,466	100	23,244	100	40
Non-financial assets:							
UK & Foreign agricultural/commercial/industrial land and buildings							
Up to 5 years	1	1	563	2	125	1	22
5 to 10 years	1	1	287	1	102	1	36
10 to 15 years	2	2	255	1	148	2	58
15 to 20 years	2	1	204	1	104	1	51
20 to 25 years	1	0	106	1	79	1	75
25 or more years	2	2	557	2	231	3	42
Unknown	2	1	455	2	260	3	57
Total	10	8	2,427	10	1,049	11	43
UK & Foreign residential/land and buildings							
Up to 5 years	18	14	3,633	15	805	9	22
5 to 10 years	11	9	2,560	11	584	6	23
10 to 15 years	16	13	2,464	11	786	9	32
15 to 20 years	9	7	1,476	6	614	7	42
20 to 25 years	6	5	914	4	384	4	42
25 or more years	6	5	1,126	5	586	6	52
Unknown	10	8	2,831	12	809	9	29
Total	76	60	15,005	64	4,567	50	30
Other non-financial assets ⁴	41	32	6,144	26	3,571	39	58
All non-financial assets ³	127	100	23,576	100	9,187	100	39
All assets ³	893		81,041		32,431		40

¹ Before deduction of the Annual Exempt Amount; net of in-year losses.

² Other financial assets includes UK & Foreign listed and unlisted securities, unit trusts, loan notes and unclassified financial assets.

³ Totals may not sum due to rounding.

⁴ Other non-financial assets includes collections, fine works of art, intangible assets (such as goodwill) and unclassified nonfinancial assets.

Based on a random sample of around 10,000 taxpayers, stratified to reduce variability

Table 14.9 Analysis of Employee Shareholder Status, 2013-14

This table contains information from the employment-related securities returns (HMRC Form 42) that were completed in relation to employee shareholder status (ESS) in the 2013-14 tax year.

From 1st September 2013 to 5th April 2014, employee shareholder agreements were signed by 40 companies and 230 employees. In total, 55.8 million employee shareholder shares were awarded with a total market value of £2.8 million. Some employers applied restrictions on the shares which had the effect of reducing the total value of shares to £2.5 million.

There were significant differences in the value of shares awarded to each employee. This is reflected in fact that the median actual value of shares per employee (£5,700) was considerably lower than the corresponding mean value (£10,600).

These statistics are based on the first 7 months since the introduction of ESS and are unlikely to be representative of take up in the longer term.

14.9 Employee Shareholder Status

Employee Shareholder shares issued under Employee Shareholder agreements from 1st September 2013

Share awards						
Year	Number of ² companies where employees were awarded shares	Number of ² employees that were awarded shares	Total number of shares awarded (million)	Mean number of shares awarded per employee ('000)	Median number of shares awarded per employee ('000)	
2013-14 ¹	40	230	55.8	238	13	
Share values						
Year	Total actual value ³ of shares awarded (£ million)	Total market value ⁴ of shares awarded (£ million)	Mean actual value ³ of shares per employee (£ '000)	Mean market value ⁴ of shares per employee (£ '000)	Median actual value ³ of shares per employee (£ '000)	Median market value ⁴ of shares per employee (£ '000)
2013-14 ¹	2.5	2.8	10.6	11.8	5.7	6.3

Source: Employment-Related Securities returns (Form 42)

Notes on the table:

This is a new table showing take up statistics for the new Employee Shareholder Status which took effect on 1st September 2013. These are based on the first 7 months since the status was introduced and are unlikely to be representative of take up in the longer term. For further information about Employee Shareholder Status please refer to the GOV.UK website:

<https://www.gov.uk/guidance/employee-shareholders>

¹ Covering the period 1st September 2013 to 5th April 2014

² Numbers have been rounded to the nearest 10

³ Employee Shareholder shares can be subject to various restrictions which may reduce the market value of the shares. The actual value is this 'restricted' value of shares.

⁴ The market value of shares is the 'unrestricted' value of shares i.e. the value of the shares without any conditions applied to them.

SECTION 3: Rates of Capital Gains Tax

Table A.7: Rates of Capital Gains Tax

The rates of Capital Gains Tax since 1977-78 are given in **Table A.7**, which also shows the amounts of the annual exemption available for each year from 1980-81 and rates of taper relief from 1998-99 to 2007-08.

Figure 3

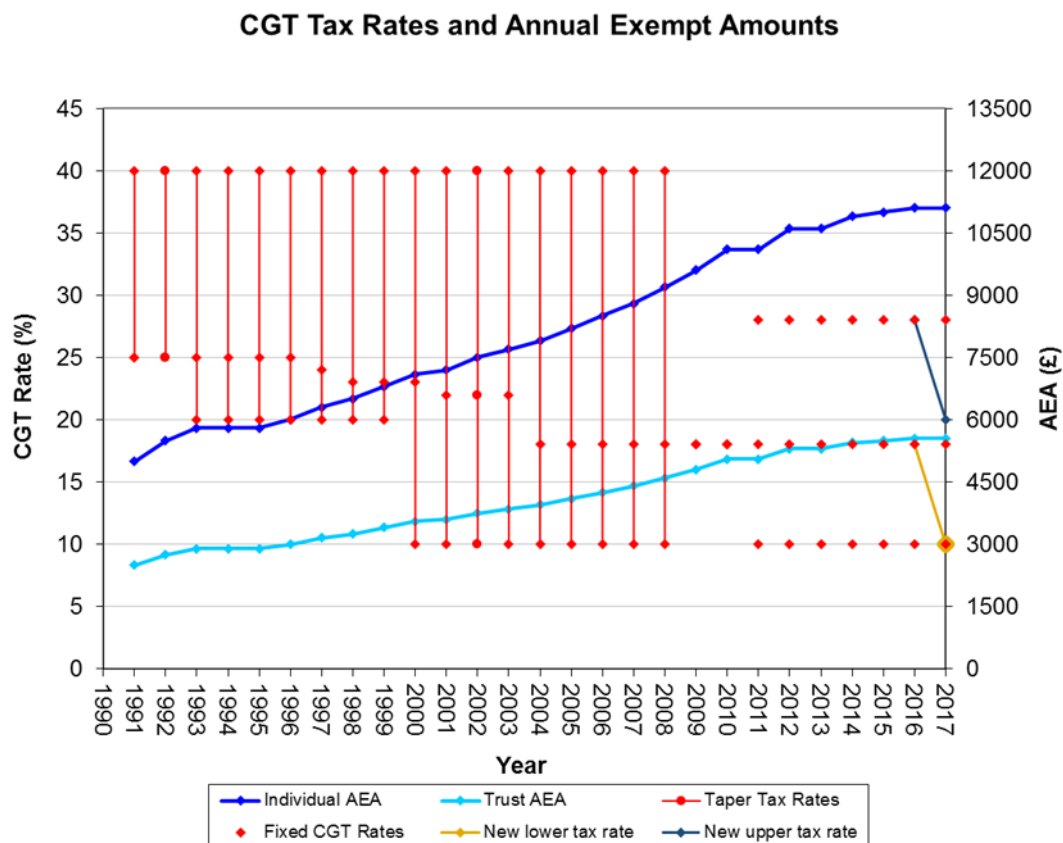


Figure 3 graphically represents the tax rates and Annual Exempt Amount for the period 1990-1991 (represented by 1991) to 2016-17 (represented by 2017). The red diamonds represent the rates at which tax are to be paid; if the red diamonds are linked by a red line this represents a variable tax and tax can occur at any point on the line depending on whether the asset is a business asset or not and how long the asset has been owned before disposal. The dark blue line represents the Annual Exempt Amount for Individuals and the light blue line for Trusts.

From 6 April 2016 CGT rates of 10% and 20% were introduced as the lower and higher rates which applies to all CGT apart from CGT on residential properties and carried interest.

TA.7 Rates of Capital Gains Tax

1977-78 to 1979-80

	Total net gains for year of assessment	Tax chargeable
Individuals:	Not exceeding £1,000	Nil
	£1,001 - £5,000	Excess gains over £1,000 at 15%
	£5,001 - £9,499	£600 plus excess gains over £5,000 at 50%
	£9,500 or more	All gains at 30%
Trusts:	Not exceeding £500	Nil
	£501 - £1,249	Excess gains over £500 at 50%
	£1,250 or more	All gains at 30%

1980-81 to 2015-16

	Annual exempt amount		Rate of tax ¹ chargeable on excess of gains over annual exempt amount:		
	Individuals	Trusts	Individuals	Discretionary and accumulation trusts	Interest in possession trusts and personal representatives
1980-81	3,000	1,500	30%	30%	30%
1981-82	3,000	1,500	30%	30%	30%
1982-83	5,000	2,500	30%	30%	30%
1983-84	5,300	2,650	30%	30%	30%
1984-85	5,600	2,800	30%	30%	30%
1985-86	5,900	2,950	30%	30%	30%
1986-87	6,300	3,150	30%	30%	30%
1987-88	6,600	3,300	30%	30%	30%
1988-89	5,000	2,500	Income tax rates	Trust rate	Basic rate of income tax
1989-90	5,000	2,500	Income tax rates	Trust rate	Basic rate of income tax
1990-91	5,000	2,500	Income tax rates	Trust rate	Basic rate of income tax
1991-92	5,500	2,750	Income tax rates	Trust rate	Basic rate of income tax
1992-93	5,800	2,900	Income tax rates	Trust rate	Basic rate of income tax
1993-94	5,800	2,900	Income tax rates	Trust rate	Basic rate of income tax
1994-95	5,800	2,900	Income tax rates	Trust rate	Basic rate of income tax
1995-96	6,000	3,000	Income tax rates	Trust rate	Basic rate of income tax
1996-97	6,300	3,150	Income tax rates	Trust rate	Basic rate of income tax
1997-98	6,500	3,250	Income tax rates	Trust rate	Basic rate of income tax
1998-99 ²	6,800	3,400	Income tax rates	Trust rate	Trust rate
1999-00 ²	7,100	3,550	Income tax rates ³	Trust rate	Trust rate
2000-01 ²	7,200	3,600	Income tax rates ⁴	Trust rate	Trust rate
2001-02 ²	7,500	3,750	Income tax rates ⁴	Trust rate	Trust rate
2002-03 ²	7,700	3,850	Income tax rates ⁴	Trust rate	Trust rate
2003-04 ²	7,900	3,950	Income tax rates ⁴	Trust rate	Trust rate
2004-05 ²	8,200	4,100	Income tax rates ⁴	Trust rate	Trust rate
2005-06 ²	8,500	4,250	Income tax rates ⁴	Trust rate	Trust rate
2006-07 ²	8,800	4,400	Income tax rates ⁴	Trust rate	Trust rate
2007-08 ²	9,200	4,600	Income tax rates ⁴	Trust rate	Trust rate
2008-09 ⁵	9,600	4,800	18%	18%	18%
2009-10 ⁵	10,100	5,050	18%	18%	18%
2010-11 ⁶	10,100	5,050	18%	18%	18%
2010-11 ⁷	10,100	5,050	10% to 28%	28%	28%
2011-12 ⁸	10,600	5,300	10% to 28%	28%	28%
2012-13	10,600	5,300	10% to 28%	28%	28%
2013-14	10,900	5,400	10% to 28%	28%	28%
2014-15	11,000	5,500	10% to 28%	28%	28%
2015-16	11,100	5,550	10% to 28%	28%	28%
2016-17	11,100	5,550	10/18% to 20/28% ⁹	20 or 28% ⁹	20 or 28% ⁹

¹ Income and trust tax rates are contained in the link [Table TA.2](#)

² For 1998-99 to 2007-08, taper relief may reduce the proportion of gains chargeable as described in the following table.

³ Treated as savings income, except that Capital Gains in the starting rate band are taxed at 20%.

⁴ Treated as savings income.

⁵ Entrepreneurs' Relief introduced on 6 April 2008 entitles individuals in business and some trustees to claim relief on the first £1 million of lifetime gains made on the disposal of any of the following:

- all or part of a business
- the assets of a business after it has ceased
- shares in a company

Entrepreneurs' Relief reduces the amount of gains liable to Capital Gains Tax by four-ninths on all qualifying gains up to £1 million.

⁶ From 6 April 2010 to 22 June 2010 entrepreneurs' relief was extended to the first £2 million pounds of gains on qualifying business asset disposals.

⁷ From 23 June 2010 further reforms were made to the CGT regime. Entrepreneurs' relief was extended granting individuals and trusts making qualifying business asset disposals to a 10% rate on the first £5m of gains over a lifetime. Individuals making disposals not eligible for entrepreneurs' relief face a rate of 18% on gains where their gains and income after the annual exempt amount remains below the income tax basic rate threshold. All gains exceeding this threshold are taxed at 28%. Trusts with gains not eligible for entrepreneurs' relief are taxed at 28%.

⁸ From 6 April 2011 entrepreneurs' relief was extended to the first £10m of gains over a lifetime on qualifying disposals.

⁹ From 6 April 2016 CGT rates of 10% and 20% were introduced as the lower and higher rates which applies to all CGT apart from CGT on residential properties and carried interest.

Taper relief (for gains on disposals after April 05 1998)

Year of disposal	Type of asset	Proportion of gain chargeable (%)										
		Number of complete years after April 05 1998 for which asset held										
		0	1	2	3	4	5	6	7	8	9	more
1998-99	Business ^{1,2,3}	100	92.5	85	77.5	77.5	70	62.5	55	47.5	40	32.5
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
1999-2000	Business ^{1,2,3}	100	92.5	85	77.5	77.5	70	62.5	55	47.5	40	32.5
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2000-01	Business ^{2,4}	100	87.5	75	50	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2001-02	Business ^{2,4}	100	87.5	75	50	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2002-03	Business ^{2,4}	100	50	25	25	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2003-04	Business ^{2,4}	100	50	25	25	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2004-05	Business ^{2,4}	100	50	25	25	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2005-06	Business ^{2,4}	100	50	25	25	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2006-07	Business ^{2,4}	100	50	25	25	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65
2007-08	Business ^{2,4}	100	50	25	25	25	25	25	25	25	25	25
	Non-business ¹	100	100	100	95	95	90	85	80	75	70	65

¹ Assets acquired before March 17 1998 qualify for an addition of 1 year to the period for which they are treated as held after April 05 1998.

² Business assets are defined broadly as:

an asset used for the purposes of a trade carried on by the individual or by a qualifying company^{3,4} of that individual; or.

an asset held for the purposes of a qualifying office or employment (for periods before April 06 2000 the employment had to be substantially full time); or shares in a qualifying company^{3,4} held by the individual.

Since April 06 2004 business assets include those assets used for the purposes of a trade irrespective of whether the individual is involved in carrying on the trade concerned.

³ For the period April 06 1998 to April 05 2000, a company was a qualifying company for an individual if it was a trading company or the holding company of a trading group and the individual could exercise either

(a) at least 25% of the voting rights in that company or

(b) at least 5% of the voting rights in that company, provided the individual was a full-time working officer or employee of that company.

There are similar provisions in respect of trusts.

⁴ For periods from April 06 2000, a company is a qualifying company for an individual if it is either

(1) a trading company or the holding company of a trading group and is

(a) unlisted or

(b) the individual is an employee or officer of the company, or

(c) the company is listed and the individual has not less than 5% of the voting rights.

or

(2) a non-trading company where the individual is an employee or officer and does not have a material interest of more than 10% in the company.

There are similar provisions in respect of trusts.

Annex A: Data sources, methodology and reliability of estimates

The data sources and methods used to compile statistics in this release are set out below.

Data sources for Tables 14.1 to 14.5

Self Assessment (SA) data is used to compile **Tables 14.1-14.5**. This comes from individuals and trusts who have filed the relevant CGT pages of the return.

Before 1987-88 Capital Gains Tax assessments were recorded manually. A sample of these was selected as the basis for the statistics published. Since 1987-88, assessments have been recorded on computer. The statistics for years to 1995-96 were derived from this computer database of assessments and amendments. These computer records were supplemented by a small number of manual assessments. For 1996-97 onwards, the statistics are derived from computer records of all SA returns with a CGT liability. File by internet began in 1999-00 and grew rapidly to around 94% by 2014-15.

Assessments are made for "years of disposal", i.e. years ending on 5th April in which capital gains arise. It may take several years for all assessments for a year to be made and even longer for all amendments to these original assessments, hence estimates using data in the most recent five tax years are marked as provisional although it will be marked that the earliest three years are only expected to change by very small amounts. Typically, the majority of SA data for a tax year is received at the time of the SA deadline which occurs at the end of January the following year, so it is not possible to publish data on the latest tax year (i.e. we are unable this year to publish estimates for 2015-16 as the data is not ready).

Because of the time lags and because of known deficiencies in the flow of assessment data (particularly late amendments) to HMRC's Knowledge Analysis and Intelligence (KAI) Directorate, the figures in table 14.1 for years to 1995-96 have been scaled to be consistent with departmental accounting figures. No further revisions will be made to the assessment based figures. Estimates for 1996-97 to 2003-04 in **Tables 14.1 to 14.3** were scaled to the estimated Capital Gains Tax component of total SA liabilities. From 2004-05 onwards estimates are no longer scaled in this manner and reflect actual amounts reported.

The tables were produced using recent SA data. Our SA data extracts continue to be updated on a monthly basis.

Data sources for Tables 14.6 to 14.8

Whilst the SA data mentioned above enables us to get overall taxpayer information, e.g. the total amount of gains and tax liabilities, the data is unable to tell us more detailed information relating to the disposal of assets.

Each year, KAI carry out a detailed stratified sample survey which uses information provided by those filing CGT pages but not captured in our SA extract. This should include all the relevant information on every transaction that has had an impact on a taxpayer's final Capital Gains Tax liability, such as the acquisition and disposal date of each asset, the gain or loss arising from the disposal of each asset, the type of asset disposed of, and other details. This information can be submitted in a variety of ways and in the taxpayer's preferred format. The survey allows us to give the detailed estimates by length of ownership and asset type presented in **Tables 14.6 to 14.8**.

The sample can be crudely divided into two parts: the first relating to individuals filing their returns online; the second covering all trusts and personal representatives.

As the data relate to cases with a Capital Gains Tax liability, the tables exclude cases where the aggregate gains, net of any reliefs, are below the Annual Exempt Amount. They also exclude some Capital Gains Tax liabilities fully offset by other tax reliefs.

Methods for producing statistics

The tables have been provided from a single information source - tax Self Assessment (SA) forms completed either by individuals or trusts. For **Tables 14.1 to 14.5** the information comes straight from the forms.

As described above statistics published in **Tables 14.6 to 14.8** are derived from a survey which uses information provided by those filing CGT pages but not captured in our SA extract. The stratified sample for 2013-14, used for producing statistics this year for these tables consists of around 10,000 sample records from 62 strata. There are 31 strata for individuals and 31 strata for trusts. The strata are at 2 levels; the first level divides both individuals and trusts into whether they have gains and losses, solely gains, solely losses or neither. This produces 4 strata for individuals and 4 strata for trusts. Each of these strata, apart from the 'neither' strata, are then divided into 10 further strata based on the value of gains or losses. The boundaries for the strata and the sampling fractions to apply are obtained using Neyman allocation, which is a method used to allocate sample to strata

based on the strata variances (the larger the variance within a strata the larger the sample within that strata) and costs (if these vary between strata). Information from the computations of the selected sample is then keyed and validated. Sample estimates relating to individuals are grossed up to reflect all individuals liable to CGT in that year. These estimates are then scaled to match equivalent totals derived from latest available administrative data. This ensures that total figures in the survey tables match those derived from Self Assessment data and the figures in individual cells have been grossed up appropriately.

Quality of published information

Tables 14.1 to 14.5 are based on Self Assessment data provided by taxpayers. This administrative data is of a high standard as from it are derived individuals' personal income tax and Capital Gains Tax liabilities which make large contributions to exchequer revenue. There are penalties for knowingly providing false information and HMRC compliance staff are tasked with detecting such false entries.

Tables 14.6 to 14.8 are produced from sampled data. As a sample is used rather than the whole population the reliability of the estimates are not equal to the reliability of the estimates given in **Tables 14.1 to 14.5**. However the relatively large size of the sample (around 10,000 individuals or trusts), and the use of stratification and Neyman allocation to reduce sampling error, give rise to reliable estimates. The bands and categories presented in the tables are wide and large enough to ensure that there are sufficient sample cases behind each estimate.

Nature and extent of annual revisions

Revisions only affect **Tables 14.1 to 14.5**, based on Self Assessment data, as the survey tables for a particular year are published only once and no further data is added or amended. Revisions affect the Self Assessment tables only because tax assessments can change, and late assessments for a particular year can be added. In order to illustrate the size of revisions this year, figures in the summary Self Assessment based table, **Table 14.1**, have been compared with the figures in last year's table for years common to both tables.

Revisions to Table 14.1

The latest data published this year is for 2014-15 and for years before 2009-10 there were no revisions. The maximum revision to figures for the year previous to the latest (2013-14) was to the number of trusts which went up by 2% but the change isn't evident in the table as this number is rounded to the nearest thousands. For the two years previous to the latest year (2014-15) the maximum revision was to the amount of tax paid by trusts, where there was a revision of less than 1%. There were no revisions six years previous or for before then. To reflect 'normal' year changes, caused only by the addition of new cases to the file, a 'provisional' footnote has been placed against 2014-15 figures. In addition a footnote indicating that there might be changes but they are likely to be very small has been placed against figures for years between 2010-11 and 2013-14. No footnote has been placed against years prior to 2009-10.

Revisions to other tables

The usual pattern of higher revisions for the previous year and year before, and much lower revisions for the 3 years previous and further back is expected in the other three Self- Assessment tables which present data for a number of years. Consequently similar footnoting appears against these tables.

Annex B: Regime changes to Capital Gains Tax up to 2004

The regime for Capital Gains Tax has changed over the years. CGT was first introduced in 1965. Since then, there have been changes which have since shaped the way to the existing CGT system. These include the following:

1982

Indexation allowance was introduced. This allowance is the difference between the cost incurred and the same costs indexed by the Retail Prices Index.

1988

The cost of assets held at 31 March 1982 was 'rebased' to their market value at that date to ensure that gains accruing before then were not charged to tax. In that year, the rate of Capital Gains Tax was aligned with the rates for income tax. Capital gains were thereafter, in broad terms and after deducting any allowances and reliefs available, taxed as if they were the top slice of an individual's income.

1993

Since November 1993, it has not been possible to use indexation allowance to create or increase a capital loss.

1998

Indexation was withdrawn for periods of ownership after April 1998. Instead chargeable gains were tapered according to the length of time that the asset has been held after 5 April 1998. The taper was more generous for business assets than for non-business assets; the definition of the former and both taper rates are shown in **Table A.7**. Assets acquired before 17 March 1998 qualified for an addition of 1 "bonus" year to the period for which they are treated as held after 5 April 1998. The taper was applied to net gains that were chargeable after the deduction of any allowable losses. Losses were set against gains in the order that produces the lowest tax charge. Also, the rate applicable to trusts was extended to include interest in possession trusts and personal representatives, previously chargeable at the standard rate.

1999

Capital Gains Tax rates were partially aligned with the income tax rates on savings income, giving rates of 20% and 40% for individuals;

2000

Business asset taper rates were modified so that the taper matured after 4 years instead of 10 and the definition of business assets was widened. Business assets acquired before 17 March 1998 no longer qualified for the bonus year in calculating the appropriate taper relief fraction to apply to gains. Also Capital Gains Tax rates were fully aligned with the income tax rates on savings income to include the starting rate of 10%.

2001

The definition of business assets was further extended, with effect from 6 April 2000, to employees disposing of shares in non-trading companies where they work so long as they do not have a material interest of more than 10% in the company.

2002-2003

The business asset taper rates were modified so that the taper matured after 2 years rather than 4. In both 2002 and 2003 there were a number of simplification measures - further details of the changes covered in the linked document that follows:

<http://webarchive.nationalarchives.gov.uk/20091222074811/http://www.hmrc.gov.uk/budget2003/revbn32.pdf>

2004

The definition of business assets was again extended to cover all assets used wholly or partly for the purposes of an individual's trade irrespective of whether the owner is involved in carrying on the trade concerned. Also, the rate applicable to trusts was increased to 40%.

Annex C: Glossary of Terms

Annex C aims to explain acronyms, abbreviations and terms associated with Capital Gains Tax. This list contains more entries than used in this publication but will serve as a useful tool for understanding the CGT regime.

Accrual

See tax accrual.

Acquisition Costs

Costs considered as part of allowable expenditure. Usually the money spent on buying an asset.

AEA – Annual Exempt Amount

Amount of gain on which is not subject to Capital Gains Tax. This amount is available annually and cannot be carried forward if the full extent has not been used in a previous year.

Agent

An agent is a person that deals with a taxpayers' affairs such as a solicitor, accountant or other tax specialist.

Allowable Expenditure

Allowable expenditure refers to expenses relating to the asset that can be deducted from the disposal value to reduce its CGT liability. For an expense to be considered as allowable expenditure it must pass both the capital test and the Income Tax priority test. Upon satisfying these tests additional costs are allowable, including: acquisition costs; incidental costs of acquisition and disposal; and enhancement expenditure.

Allowable Loss

The loss or losses resulting from the disposal of one or more assets, which can be used to reduce the gain or gains made on one or more other assets.

Asset

Something valuable that an individual or entity owns, benefits from, or has use of, in generating income. Previously this could either be business, non-business or mixed assets. Since 2008-09 there is no distinction.

Business Asset

A business asset differs depending on the chargeable person disposing of the asset. The definition given below is a technical CGT definition for the purposes of business asset taper relief and should not be confused with the common meaning of the phrase which could mean any asset connected with a business.

For an individual a business asset is defined as: an asset (excluding shares and securities) which is used for the purpose of a trade, profession or vocation carried on by the individual (either alone or in partnership) or by an individual's qualifying company; an asset (excluding shares and securities) held for the purposes of a qualifying office or employment with a trading employer; or shares or securities held in an individual's qualifying company.

For a personal representative a business asset must satisfy one of the following: an asset (excluding shares and securities) which is used for the purpose of a trade, profession or vocation carried on by the personal representative or by the personal representative's qualifying company; or shares or securities held by the personal representatives qualifying company.

For trusts, business assets can be defined as: an asset (excluding shares and securities) which is used for the purpose of a trade, profession or vocation carried on by the trust, an eligible beneficiary (either alone or in partnership) or by the trusts' or the eligible beneficiary's qualifying company; from the 6th April an asset (other than shares or securities) used for the purposes of trade carried on by a partnership in which the trusts of a settlement are partners. This applies where the trusts of a settlement or any one or more of the persons who are trusts of a settlement, acting in their capacity as trusts, are members of a partnership; before 6th April 2000, an asset (other than shares or securities) held for the purpose of an office or employment with a trading employer to which an eligible beneficiary is required to devote substantially the whole of his or her time; from 6th April 2000, an asset (other than shares or securities) held for the purpose of an office or employment by an eligible beneficiary with a person carrying on a trade; or shares or securities held as a trust in a qualifying company.

Bonus Year

Under legislation, individuals disposing of assets after 6th April 1998, that were acquired prior to 17th March 1998, were entitled to a 'bonus year' of taper relief.

Chargeable Asset

For CGT purposes is defined as any form of property, unless exempted from CGT by legislation.

Chargeable Gain

A chargeable gain arises when a chargeable person disposes of a chargeable asset on a chargeable occasion.

Chargeable Occasion

For CGT purposes, a chargeable occasion is the occasion of a disposal or a part-disposal. Transferral of assets to a spouse and assets transferred at death are not deemed chargeable occasions.

Chargeable Person

For the purposes of CGT a chargeable person is defined as an individual, representative or trust that is subject to CGT. This includes partners, but not partnerships.

Chattel

Property that is both tangible and moveable. At time of writing, a chattel is exempt from CGT if its disposal proceeds are £6,000 or less.

Disposal

In most cases a person is said to make a disposal when they cease to be the beneficial owner of an asset. The most common of these is the sale of an asset or part of an asset. Gifting or exchanging assets are also deemed as disposals. Other less obvious disposals include: the loss or destruction of a chargeable asset; abandonment or loss of rights; insurance proceeds received as a result of theft or loss of an insured asset; and receipt of a capital sum for an interest in or right in or over an asset.

Disposal Date or Time

For CGT purposes this is normally defined as the date at which ownership of the asset is transferred. Exceptions include: when an asset is disposed of by way of a contract (verbal contract included) the disposal date is the point at which the contract was drawn-up; and when a contract is subject to one or more conditions, in which case the disposal date is the date on which the final condition is fulfilled. Disposal dates that are not subject to CGT include: transferral of an asset to a spouse; and when upon death someone leaves their assets to one or more people.

Disposal Proceeds

Usually the consideration received upon the disposal of the asset. Where the disposal is not a 'bargain at arms length' the market value of the asset at the date of disposal is used. Examples of when the market value is used include situations where the asset is: given away; deliberately sold at an under-valued or over-valued price; disposed of wholly or partly for a consideration that cannot be valued; or disposed of to someone connected with the vendor.

Enhancement Expenditure

Costs considered part of allowable expenditure. Enhancement expenditure is defined as any capital expenditure wholly and exclusively incurred on enhancing an asset's value and which is still reflected in the state or nature of the asset at the time of its disposal.

Entrepreneur

An entrepreneur is a person that creates a new business or establishes a wholly new activity in a business.

Entrepreneurs' Relief

A tax relief for CGT introduced in 2008-09. See **Table 14.4, Section 1** and annex **Table A.7** for more information.

Incidental Cost of Acquisition and Disposal

Cost considered as part of allowable expenditure. Covers a very broad range of expenses incurred as part of the purchase or sale of an asset. Two checks are applied to determine whether an expense is covered, these are: is the expense incurred wholly and exclusively for the acquisition or disposal of the asset; and is the expense one of the items listed in Section 38(2) TCGA 1992. Examples include:

fees paid to auctioneers, accountants, surveyors, etc; transfer or conveyor costs (stamp duty); costs of advertising; reasonable first-time valuation costs.

Indexation Allowance

Indexation allowance is defined as an allowance that offsets nominal gains attributable to inflationary increases in the value of an asset. The allowance is applied to gains made on disposal of assets, *after* deductions for allowable expenditure. For disposals up to and including the 5th April 1998 indexation allowance is applied. The deduction is calculated by multiplying relevant allowable expenditure by factors derived from the Retail Prices Index.

Indexed Gain

The gain made upon disposal of an asset after deductions (in order: allowable expenditure; indexation allowance to 5th April 1998) have been taken into account.

Intangible Asset

An asset that cannot be touched such as goodwill, copyright, brand name, etc.

Investment Bond

A bond sold by life insurance companies that allows investors to invest in a variety of funds managed by professional investment managers. Normally used to generate long-term capital growth but is also used to generate income.

Liable tax payer

In the context of CGT this represents an individual or trust who owes an amount of CGT before the AEA (see definition of AEA).

Main Residence

For the purposes of CGT an individual's main residence is defined as the home at which they normally live. A main residence is not necessarily a house. If a boat or mobile home is connected to mains services, located on a permanent site and in the specific case of a boat has its engines removed it can qualify as a main residence.

Mixed Asset

A mixed asset is defined as one that can be classified as both a business and non-business asset during a period of ownership. Note that these asset types cannot overlap.

Net Chargeable Gain

The net chargeable gain is calculated as the net indexed gain resulting from disposal of an asset minus both the allowable losses from the current year and any losses brought forward from previous years. Losses must be set against gains prior to tapering and in an order that minimises the taxpayer's liability. Additionally, any losses brought forward from previous years can only be used to reduce the gain to the Annual Exempt Amount with the remaining losses being carried forward.

Non Business Asset

These are assets other than business assets.

Personal Representative

A personal representative is the person or body of persons charged with collecting, administering and distributing the assets of a deceased person. Excluding assets that, exempt under operational law, pass to some other person on the deceased's death.

Private Residence

A private residence is defined as an individual's dwelling house or part of a dwelling house, which is, or at any time in their period of ownership, their only or main residence. Gains made on a private residence together with its associated land (certain restrictions apply see Private Residence Grounds) that an individual has for their own occupation or enjoyment are not subject to CGT.

Private Residence Grounds

Grounds associated with a private residence can be up to half a hectare in size. Larger grounds require approval from HMRC Commissioners.

Private Residence Relief

See PRR.

PRR – Private Residence Relief

A relief that ensures the individual is exempt from paying CGT on their private residence

Share

A share is a definite portion, of a company's share capital. A company's share capital consists of the funds subscribed to the company by its members, the shareholders. Shares represent the shareholder's interest in or ownership of the company.

Tangible Asset

A tangible asset is one that can be touched such as land, jewellery, antiques and so on.

Taper Relief

A type of relief applied to an asset's net chargeable gain assuming that it was disposed of after 6th April 1998 and that the net chargeable gain exceeds the Annual Exempt Amount. The relief was introduced following the 1998 Finance Act in an attempt to simplify the CGT system, encourage long-term investment and stimulate business by rewarding investment in trading activities. Business assets incur a more favourable relief than non-business assets. Amounts of gains shown in tables 14.1, 14.2 and 14.3 for years up to and including 2007-08 are after deduction of taper relief. The proportion of a capital gain which is chargeable after the application of taper relief is given in table A7 for the years from 1998-99 to 2007-08.

Tax accrual

The amount of tax liability in a tax year. This differs from tax receipts as under the Self Assessment system there is a delay between liabilities arising on asset disposals and the tax due being paid to HMRC.

Trusts

A person (aged 18 or over in England and Wales) who has an obligation to deal with property in a particular way. This will be under the terms of the trust for the benefit of particular persons, of whom he or she may be one.

Wasting Asset

Section 44 of the Taxation of Chargeable Gains Act 1992 defines wasting assets as assets with a predictable life not exceeding 50 years. The upper limit is a prediction determined at time of asset acquisition. Plant and machinery, animals and lease of land, assuming it is for less than 50 years are examples of wasting assets.