



## Capital Gains tax

| <b>Individuals</b>   | <b>2018/19</b> | <b>2019/20</b> |
|--|----------------|----------------|
| To income tax basic rate limit   | 10%            | 10%            |
| Above income tax basic rate limit  | 20%            | 20%            |
| <small>Rates are increased by 8% for gains on residential property</small> |                |                |
| <b>Trusts and personal representatives</b>                                 | 20%            | 20%            |
| <b>Annual Exempt Amounts</b>   |                |                |
| Individuals, personal representatives and trusts for disabled people       | £11,700        | £12,000        |
| Other trusts   | £5,850         | £6,000         |

### Entrepreneurs' Relief

It allows individuals in business and some trustees to claim relief on qualifying gains, up to a maximum lifetime limit, 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 an unquoted company

Depending on the type of disposal, certain qualifying conditions need to be met. If you are considering selling a business asset please contact us to determine whether you may be entitled to Entrepreneurs' Relief. If it does the gain is taxed at the rate of 10%.

|                                   |                    |                    |
|-----------------------------------|--------------------|--------------------|
| <b>The maximum lifetime limit</b> | <b>£10 million</b> | <b>£10 million</b> |
|-----------------------------------|--------------------|--------------------|

For more information, contact Hugh, Shirley, Karen or Michael at Hugh Davies & Co on 01722 336647.