

Capital Gains Tax

Capital gains tax rates and bands are as follows:		
	2009/10	2008/09
Standard rate	18%	18%
Entrepreneurs' relief - effective rate	10%	10%
Annual exemption		
- individual	£10,100	£9,600
- settlement(s) (spread over total number)	£5,050	£4,800
Chattels exemption		
(proceeds per item or set)	£6,000	
Entrepreneurs' relief ² (from 6 April 2008)	£1 million	

Notes

1. Transfers between spouses and civil partners living together are exempt.
2. Entrepreneurs' relief is available in respect of gains made on the disposal of all or part of a business, or gains made on disposals of assets following the cessation of a business or gains by certain individuals who were involved in running the business. The first £1 million of gains that qualify will be charged to CGT at an effective rate of 10%. Gains in excess of £1 million will be charged at the normal rate of 18%. An individual will be able to make claims for relief on more than one occasion, up to a lifetime total of £1 million of gains qualifying for relief.