

# Throgmorton: Property Disposal – New Rules

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## Which property disposals could be relevant?

- Property that is not your Principal Private Residence;
- Rental properties;
- Holiday homes;
- Inherited property;
- Trust property; and/or
- Gifted property.

## What are the new changes?

- The CGT due on disposal will need to be reported and paid to HMRC within 30 days of completion of the disposal;
- There will be a new online service for reporting and paying the CGT. Guidance will be released on this service by HMRC;
- Non-UK residents, who currently report UK property disposals within 30 days, can no longer defer payments to the self assessment deadline of 31 January;
- Taxpayers who do not meet the other criteria for Self- Assessment, will no longer need to register for Self- Assessment to report the capital gain and instead will report and pay through the new online service;
- Taxpayers who are already within the scope of Self- Assessment, will need to ensure that the capital gain is also included on their Self- Assessment tax return. HMRC will be amending the Self-Assessment return to allow for this; and
- Late filing and late payment penalties will apply, and interest will be also be charged.

## Examples where the new CGT rules don't apply

- The legally binding property contract is made before 6th April 2020;
- Gift of the property is made to spouse/civil partner, even after the 6th April 2020;
- The capital gain is covered by the annual exemption (£12,000 in 2019/20); and/or
- There is a loss on the sale of the property.

If you need further information, please do not hesitate to get in touch with your usual Throgmorton contact or a member of the Private Client tax team for further information.

Alternatively, please contact **Leila Allger** at [leila.allger@throgmorton.co.uk](mailto:leila.allger@throgmorton.co.uk) / **+44 (0) 118 921 7680**.