



Finance (No. 2) Act 2024

2024 CHAPTER 12

Measures relating to property

6 Reduction in higher CGT rate for residential property gains to 24%

- (1) In section 1H of TCGA 1992 (the main rates of CGT)—
- (a) after subsection (1) insert—

“(1A) Residential property gains (see Schedule 1B) accruing in a tax year to an individual are charged to capital gains tax at a rate of 18% or 24%.”,
 - (b) in subsection (2), omit paragraph (a) together with the “or” at the end of the paragraph,
 - (c) after subsection (4) insert—

“(4A) Residential property gains accruing in a tax year to the personal representatives of a deceased individual are charged to capital gains tax at a rate 24%.”,
 - (d) in subsection (5), omit paragraph (a) together with the “or” at the end of the paragraph, and
 - (e) in subsection (7), for “28%” substitute “24%”.
- (2) In section 1I of that Act (income taxed at higher rates or gains exceeding unused basic rate band)—
- (a) in subsection (1)—
 - (i) before paragraph (a) insert—

“(za) at the rate of 24% (if they are residential property gains)”, and
 - (ii) in that paragraph, omit “residential property gains or”,
 - (b) in subsection (2), in the words after paragraph (b)—
 - (i) after “is charged at the rate of” insert “24% (so far as comprising residential property gains), at the rate of”, and
 - (ii) omit “residential property gains or”,

Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2024, Section 6. (See end of Document for details)

- (c) in subsection (5)—
 - (i) before paragraph (a) insert—
 - “(za) at the rate of 24% (if they are residential property gains),”, and
 - (ii) in that paragraph, omit “residential property gains or”, and
 - (d) in subsection (9)—
 - (i) before paragraph (a) insert—
 - “(za) at the rate of 24% (if they are residential property gains),”, and
 - (ii) in that paragraph, omit “residential property gains or”.
- (3) The amendments made by this section have effect in relation to disposals made on or after 6 April 2024.

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 2024, Section 6.