
EXPLANATORY NOTE

(This note is not part of the Order)

Section 115 of the Taxation of Chargeable Gains Act 1992 (c. 12) provides that gains on the disposal of “gilt-edged securities” are not chargeable gains. They are not therefore subject to capital gains tax (or, for companies, corporation tax). Paragraph 1 of Schedule 9 to the Taxation of Chargeable Gains Act 1992 provides that “gilt-edged securities” are those securities specified in Part II of Schedule 9 and such stocks and bonds issued under section 12 of the National Loans Act 1968 (c. 13) denominated in sterling and issued after 15th April 1969, as may be specified by order made by the Treasury. In exercise of that power this Order specifies seven securities as “gilt-edged securities”.

A complete list of gilt-edged securities which are exempt from capital gains tax may be found online at www.gov.uk/guidance/gilt-edged-securities-exempt-from-capital-gains-tax or obtained by writing to Assets, Residence and Valuation Policy, HMRC, 3C/03, 100 Parliament Street, London, SW1A 2BQ.

A Tax Information and Impact Note has not been prepared for this instrument as it contains no substantive changes to policy.