Taxation of Chargeable Gains Act 1992

Changes to legislation:
Taxation of Chargeable Gains Act 1992, Section 1K is up to date with all changes known to be in force on or before 08 September 2026. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

▼ View outstanding changes

[F1 1K Annual exempt amount

(1) If an individual is (or, apart from this section, would be) chargeable to capital gains tax for a tax year on chargeable gains, the annual exempt amount for the year is to be deducted from those gains (but no further than necessary to eliminate them).

(2) The annual exempt amount for a tax year is [F2 £3,000].

F3 (3) . . . .

(4) The deduction of the annual exempt amount—

(a) is made after the deduction of allowable losses accruing in the tax year, but

(b) is made before the deduction of allowable losses accruing in a previous tax year or, if section 62 applies, in a subsequent tax year.

(5) The annual exempt amount may be deducted from gains in whatever way is most beneficial to a person chargeable to capital gains tax (irrespective of the rate of tax at which the gains would otherwise have been charged).

(6) An individual is not entitled to an annual exempt amount for a tax year if

F4 (a) . . . .

[F5 (b) the individual makes a foreign gain claim, a foreign income claim or a foreign employment election for that tax year.]

(7) For the tax year in which an individual dies and for the next two tax years, this section applies to the individual's personal representatives as if references to the individual were to those personal representatives.

(8) This section applies in relation to trustees in accordance with the provision made by Schedule 1C.]

Textual Amendments

F1 Pt. 1 substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by Finance Act 2019 (c. 1), **Sch. 1 para. 2**

F2 Sum in s. 1K(2) substituted (with effect for the tax year 2024-25 and subsequent tax years) by Finance Act 2023 (c. 1), **s. 8(4)**(5)

F3 S. 1K(3) omitted (for the tax year 2025-26 and subsequent tax years) by virtue of Finance Act 2025 (c. 8), s. 40(4), **Sch. 9 para. 2(3)**

F4 S. 1K(6)(a) omitted (for the tax year 2025-26 and subsequent tax years) by virtue of Finance Act 2026 (c. 11), Sch. 3 para. 6(2)**(3)**

F5 S. 1K(6)(b) and word inserted (for the tax year 2025-26 and subsequent tax years) by Finance Act 2025 (c. 8), **s. 39(5)(b)**(11)

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