

Self Assessment Success 2019/20

Capital Gains Tax: Individual Gains/Losses

Craig sold a property that wasn't his main residence in June 2019 for £190,000. When he bought the property it was £110,000. He added a conservatory to the property at a cost of £30,000. He incurred selling costs of £3,000.

What is the chargeable gain on his disposal?

Gross Sales Proceeds	£190,000
Less: Selling costs	<u>£3,000</u>
Net sales proceeds	£187,000
Less: Allowable costs	<u>£140,000</u>
Chargeable Gain	£47,000

Allowable costs are the purchase price of £110,000 plus the cost of the conservatory at £30,000.