

Capital Gains Tax Private Residence Relief

Final Period Exemption

Where a property has been an individual's only or main residence at any point during the period of ownership, Principal Residence Relief is given for the final period.

This available relief is as follows:

Final period Exemption History (UK Private Residence Relief)

| Period of Disposal | Final Period Exemption (Standard) | Notes / Exceptions |
|------------------------------|-----------------------------------|---|
| Before 6 April 2014 | 36 months | This was the long-standing rule from earlier UK CGT legislation – the last 3 years of ownership always qualified for relief regardless of actual occupation. |
| 6 April 2014 – 5 April 2020 | 18 months | The final period was cut from 36 to 18 months for most disposals by Finance Act 2014. Disabled persons or those moving into care with no other residence could still claim 36 months under special rules (section 225E TCGA92). |
| From 6 April 2020 to present | 9 months | The final period was further reduced to 9 months for disposals on or after 6 April 2020. Again, an extended 36 month period may still apply for certain disabled people or care home residents with no other property. |

Key points:

- *The final period exemption means that, even if you weren't living in the property as your main residence during those final months, that period still counts as qualifying for Private Residence Relief, as long as it was your only or main residence at some point.*
- *The standard final period has reduced over time:*
 - *36 months before April 2024*
 - *18 months from April 2024 to April 2020*
 - *9 months from April 2020 onwards*
- *Special rules allow 36 months for disabled persons or long-term care home residents in certain situations.*

Should you have any queries, please do not hesitate to contact us

Leofric House, Binley Road
Coventry, CV3 1JN
Tel: +44 (0)24 7625 1333

Euston House, 12 Euston Place
Leamington Spa, CV32 4BN
Tel: +44 (0)1926 88 88 65
www.leigh-christou.co.uk

For Information of users: This material is published for the information of clients. It provides only an overview of the regulations in force at the date of publication, and no action should be taken without consulting the detailed legislation or seeking professional advice. Therefore no responsibility for loss occasioned by any person acting or refraining from action as a result of the material can be accepted by the authors or the firm.

Leigh Christou Ltd are registered as auditors in the UK and regulated for a range of investment business activities in the United Kingdom by the Association of Chartered Certified Accountants.