



## Capital Gains Tax on the disposal of shares

The People with Significant Control (PSC) register held by Companies House, shows that you stopped being a PSC of [\[Company name from data file\]](#) on [\[date from data file\]](#).

When you stopped being a PSC, you may have disposed of some, or all, of your shares in the company. If you have disposed of shares, you may have to pay Capital Gains Tax (CGT).

### What is a 'disposal'

You make a disposal when you:

- sell shares for cash
- exchange shares in one company for shares in another company
- give shares away

### When do you have to pay Capital Gains Tax

You must pay CGT if your total gains from all disposals in a tax year are over the annual exempt amount. For the tax year 2021 to 2022, this is £12,300.

Your 'gain' is normally the difference between what you paid for the shares and what you sold them for.

If you exchange shares for shares in another company, special rules may apply. To find out more, go to GOV.UK and search for 'share reorganisations'.

If you give shares away, you may be able to claim relief to delay payment of CGT until the shares are eventually sold. To find out more, go to GOV.UK and search for 'gift holdover relief'.

If you make a loss, you may be able to use this to reduce the CGT due on other gains you have made.

### What you need to do now

If you've disposed of any shares, please check whether you need to include the gains from your disposal on the CGT page on your 2021 to 2022 Self Assessment tax return.

There is guidance on our website that may help you. Go to GOV.UK and search for:

- 'Capital Gains Tax'
- 'Tax when you sell shares'
- 'HS284' and select 'HS284 Shares and Capital Gains Tax (2021)'

If the proceeds you've received are more than 4 times the annual exempt amount, you must send us a Self Assessment tax return. You must do this, even if you have no additional tax to pay. For 2020 to 2021, 4 times the annual exempt amount is £49,200.

If you've already sent us your 2021 to 2022 Self Assessment tax return and have not included the disposal, please amend your tax return.

To find out how to amend your tax return, go to GOV.UK and search 'Self Assessment tax returns corrections'.

If you have an agent, you may want to show them this letter.

## Help and advice

If you still have questions after reading the guidance, for example, if you're not sure how to amend your tax return or you want to know how to make a payment, we can help you. If you want us to help you, you can:

- phone 03000 575 687 between 9am and 5pm, Monday to Friday- this line will close 1 month from the date of this letter
- email us at [responseteam@hmrc.gov.uk](mailto:responseteam@hmrc.gov.uk) -before you contact us by email, please read the enclosed factsheet 'Corresponding with HMRC by email'

Please note that:

- we cannot correct your tax return over the phone or help you work out if you owe CGT
- you'll receive a delayed response from us if you reply to this letter in writing

For more information about how to fill in your tax return, go to GOV.UK and search 'Self Assessment tax returns get help'.

For more information on PSC's, go to GOV.UK and search 'People with significant control'.

You can get help from HMRC if you need extra support, for example if you need information in a different format or need help filling in forms. Visit GOV.UK and search for 'Get help from HMRC if you need extra support'.

Yours sincerely

## WMBC Wealthy

Join the millions of taxpayers already using their Personal Tax Account to access a range of services. It takes just a few minutes to get started, go to [www.gov.uk/personal-tax-account](http://www.gov.uk/personal-tax-account) Or you can use the HMRC app.

To find out what you can expect from us and what we expect from you go to [www.gov.uk/hmrc/your-charter](http://www.gov.uk/hmrc/your-charter) and have a look at 'Your Charter'.



# Corresponding with HMRC by email

Use the following information to decide whether you want to deal with us by email. We take the security of personal information very seriously. Email is not secure, so it's very important that you understand the risks before you email us. We will not deal with you by email unless you tell us you accept the risks of doing so.

## About the risks

The main risks associated with using email that concern HMRC are:

- confidentiality and privacy – there's a risk that emails sent over the internet may be intercepted
- confirming your identity – it's crucial that we only communicate with established contacts at their correct email addresses
- there's no guarantee that an email received over an insecure network, like the internet, has not been altered during transit
- attachments could contain a virus or malicious code

## How we can reduce the risks

We'll desensitise information, for example by only quoting part of any unique reference numbers. We can also use encryption. We're happy to discuss how you may do the same but still give the information we need.

## If you do not want to use email

You may prefer that we do not respond by email, for example because other people have access to your email account. If so, we're happy to respond by another method. We'll agree this with you either by telephone or in writing via post.

## If you do want to use email

If you would like to use email as one of the ways HMRC will contact you, we'll need you to confirm in writing by post or email:

- that you understand and accept the risks of using email
- that you're content for financial information to be sent by email
- that attachments can be used

If you are the authorised agent or representative we'll need you to confirm in writing by post or email that your client understands and accepts the risks.

Please also:

- send us the names and email addresses of all people you would like us to use email with - you, your staff, your representative, your agent, for example
- confirm you have ensured that your junk mail filters are not set to reject and/or automatically delete HMRC emails

## How we use your agreement

Your confirmation will be held on file and will apply to future email correspondence. We'll review the agreement at regular intervals to make sure there are no changes.

## Opting out

You may opt out of using email at any time by letting us know.

## More information

You can find more information on HMRC's privacy policy. Go to [www.gov.uk](http://www.gov.uk) and search for 'HMRC Privacy Notice'.