

# Property CGT Pre-Sale Checklist

Your Complete Guide to Preparing for a Property Sale in the UK

2025/26 Tax Year

## KIAS CONSULTING PRO

### Before you sell property in the UK, proper preparation can help you:

- Understand whether Capital Gains Tax (CGT) applies
- Gather all necessary documentation
- Identify allowable costs that reduce your tax bill
- Meet critical reporting deadlines
- Know when to seek professional advice

This checklist is designed to help you organize your information and identify important considerations before, during, and after your property sale.

**⚠ Important:** This is an educational checklist only. It does not constitute tax, financial, or legal advice. Tax rules are complex and individual circumstances vary. Always consult HMRC guidance and consider professional support from a qualified accountant or Chartered Tax Adviser for your specific situation.



### Critical Dates to Know (2025/26)

Tax Year Ends:	<b>5 April 2026</b>
Property CGT Reporting Deadline:	<b>60 days from completion</b>
Self Assessment Deadline:	<b>31 January 2027 (for 2025/26 sales)</b>
Annual CGT Allowance:	<b>£3,000 per person</b>
CGT Rates (2025/26):	<b>18% (basic) / 24% (higher/additional)</b>

## PHASE 1: Before You List the Property

### 1.1 Determine If CGT Applies

- Main residence check:** Was this property your only or main home during ownership?
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- Private Residence Relief (PRR):** Did you live in the property as your main home for the entire ownership period?
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- Absences:** Were there any periods when you didn't live in the property?
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- Letting out:** Did you ever rent out all or part of the property?
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- Multiple properties:** Do/did you own more than one property at any time?
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- Business use:** Was any part of the property used exclusively for business?
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#### Full PRR Exemption May Apply If:

- The property was your only home throughout ownership
- You lived in it as your main residence
- The grounds are less than 0.5 hectares (about 1.25 acres)
- No part was used exclusively for business
- The final 9 months of ownership always qualify (if it was ever your main home)

### 1.2 Property Details & Timeline

- Purchase date:** Record exact completion date
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- Original purchase price:** Get final completion statement
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- Inheritance details:** If inherited, obtain probate valuation and date
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- Ownership changes:** Note any changes in ownership structure
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- Residence timeline:** Create timeline showing when you lived there vs periods of absence/letting
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### 1.3 Gather Purchase Documentation

- Purchase contract:**Original sale and purchase agreement
  - Completion statement:**Shows actual price paid
  - Solicitor's bill:**Legal fees from purchase
  - Stamp Duty receipt:**SDLT payment confirmation
  - Survey/valuation fees:**Any costs incurred for purchase
  - Probate documents:**If inherited (valuation at death, grant of probate)
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## PHASE 2: Identify Allowable Costs

### What Are Allowable Costs?

Costs that can be deducted from your gain to reduce CGT. These must be directly related to acquiring, improving, or disposing of the property.

### 2.1 Acquisition Costs (When You Bought)

- Solicitor/conveyancer fees**for the purchase
  - Stamp Duty Land Tax (SDLT)**paid on purchase
  - Survey and valuation fees**required for purchase
  - Land Registry fees**for registration
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### 2.2 Improvement Costs (Capital Improvements Only)

- Extensions:** Additional rooms, conservatory, loft conversion

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- New installations:** First-time kitchen/bathroom installation, central heating

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- Structural work:** New roof structure (not repairs), underpinning, damp-proofing

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- Conversions:** Garage conversion, basement conversion

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- Planning permission costs:** For qualifying improvements

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**⚠ NOT Allowable:**

- Routine repairs and maintenance
- Redecoration (painting, wallpaper)
- Like-for-like replacements (new boiler same type)
- Mortgage interest or arrangement fees
- Insurance premiums
- Council tax, utility bills, service charges

### 2.3 Disposal Costs (When You Sell)

- Estate agent fees** and commission

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- Solicitor/conveyancer fees** for the sale

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- Energy Performance Certificate (EPC)** cost

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- Advertising costs** if not included in agent fees

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- Valuation fees** for the sale

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## 2.4 Document Everything

- Collect all invoices:**Original receipts for all improvement work

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- Planning permissions:**Copies of approved applications

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- Building regulations:**Completion certificates for major work

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- Before/after photos:**Evidence of improvements made

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- Contractor quotes:**Supporting documentation for work done

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## PHASE 3: Calculate Your Potential CGT

Step	Description	Your Figure
1	Expected sale price	£ _____
2	Less: Purchase price (or probate value)	£ _____
3	Less: Allowable acquisition costs	£ _____
4	Less: Allowable improvement costs	£ _____
5	Less: Allowable disposal costs	£ _____
6	Total Gain (before allowance)	£ _____
7	Less: Annual CGT allowance (£3,000)	£ _____
8	Less: Capital losses (if available)	£ _____
9	Taxable Gain	£ _____
10	Estimated CGT (18% or 24%)	£ _____

## Use the Online Calculator

For a more accurate estimate, use the free CGT calculator at:

[kiasconsultingpro.com/capital-gains-tax-uk/](https://kiasconsultingpro.com/capital-gains-tax-uk/)

### 3.1 Tax Planning Considerations

- Timing:** Consider selling before/after 5 April if near tax year boundary

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- Spouse transfer:** Could transferring ownership share reduce overall CGT? (must transfer before sale)

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- Multiple properties:** Sell one per year to use multiple annual allowances

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- Capital losses:** Check if losses from other assets can offset this gain

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- Income planning:** Will your income be lower in a future year (affecting CGT rate)?

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## PHASE 4: During the Sale Process

### 4.1 Keep Records of All Costs

- Estate agent invoice:** Confirmation of fees and commission

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- Solicitor's final bill:** Breakdown of all legal costs

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- EPC certificate:** Receipt for Energy Performance Certificate

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- Any other costs:** Marketing, photography, etc.

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### 4.2 Note the Completion Date

- Completion date:** Record exact date (starts 60-day clock for property CGT)

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- Completion statement:** Get copy showing final sale price

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**Calculate deadline:**60 days from completion = reporting deadline

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**Set reminder:**Mark deadline in calendar with 1-week advance warning

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## **PHASE 5: After Completion (CRITICAL DEADLINES)**

### **60-DAY PROPERTY REPORTING RULE**

If CGT is due on a UK residential property sale, you must:

1. Report the gain to HMRC
2. Pay the CGT owed

#### **Within 60 days of completion**

This is separate from your Self Assessment tax return.

### **5.1 Within 60 Days of Completion**

**Calculate final CGT:**Use actual figures (not estimates)

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**Determine if reporting required:** Check HMRC rules (may be required even if no tax due)

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**Create Government Gateway account:**If you don't have one

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**Report via HMRC service:**Use "Report and pay Capital Gains Tax on UK property"

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**Pay CGT due:**Payment must reach HMRC within 60 days

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**Keep confirmation:**Save submission receipt and payment reference

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### **5.2 By 31 January Following Tax Year**

- Self Assessment return:** Include property disposal details (even if already reported)

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- Reconcile payment:** Confirm 60-day payment is credited

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- Pay any additional tax:** If final calculation differs from 60-day report

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### 5.3 Record Keeping (Keep for 6 Years)

- All purchase documents:** Original contracts, completion statements

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- All sale documents:** Final contracts, completion statements

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- All receipts:** Improvement costs, disposal costs, acquisition costs

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- HMRC correspondence:** Submission confirmations, payment receipts

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- Evidence of residence:** Council tax bills, utility bills showing occupancy

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- CGT calculations:** Your working and supporting documents

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## When to Seek Professional Support

### Professional Advice is Strongly Recommended If:

- ✓ The expected gain is large (£50,000+)
- ✓ You've owned multiple properties during ownership
- ✓ The property was inherited
- ✓ You lived abroad for part of the ownership period
- ✓ The property was partially let out
- ✓ Part was used for business
- ✓ There's been a divorce or separation
- ✓ The property is held in trust
- ✓ Ownership structure is complex
- ✓ You're unsure about Private Residence Relief

## Types of Professional Support:

Professional	What They Can Help With
<b>Chartered Tax Adviser</b>	Tax-specific calculations, reliefs, complex scenarios, HMRC compliance
<b>Accountant</b>	Tax returns, record keeping, CGT calculations, HMRC reporting
<b>Solicitor</b>	Legal aspects of property transactions, ownership structures, trusts
<b>Financial Coach</b>	Understanding concepts, organizing information, broader financial planning

### **How Kias Consulting Pro Can Help**

As financial coaches, we don't provide tax advice, but we can help you:

- Understand CGT concepts in plain English
- Organize your financial information before meeting professionals
- Identify the right questions to ask your accountant or tax adviser
- Ensure property decisions align with your broader financial goals

**Book a free financial coaching call at: [kiasconsultingpro.com](https://kiasconsultingpro.com)**

### **Your Notes & Key Dates:**

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## Quick Reference Summary

Item	2025/26 Figure
Annual CGT Allowance	£3,000 per person
CGT Rate - Basic Rate Taxpayer	18%
CGT Rate - Higher/Additional Rate	24%
Property Reporting Deadline	60 days from completion
Tax Year Ends	5 April 2026
Self Assessment Deadline	31 January 2027
Final Period Exemption (PRR)	Final 9 months (if ever main home)
Permitted Area (PRR)	Usually up to 0.5 hectares