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| **Leicester Institute of Legal Practice**  **Legal Practice Course**  **Taxation**  **Capital Gains Tax**  **Pre-Session Quiz Questions: Capital Gains Tax** |

**Prepare answers to the following quiz questions and check your answers against the answers which will be available online.**

1. What is the charge to capital gains tax?
2. What is the current CGT annual exemption for an individual?

(c) Which of the following is NOT chargeable to capital gains tax?

Shares

Land

Antique cabinet worth £12,000

Sterling

1. Jon, a higher rate taxpayer, gives a bottle of vintage wine worth £50,000 to his wife Jo. Jon purchased the wine five years ago for £40,000. What is Jon’s liability to CGT?
2. If A gives his share of a partnership business to his son will this be a chargeable disposal?
3. Which relief would only be available to A if he gave his share of the partnership business to his son?
4. What criteria must be satisfied for this relief to apply?
5. What are the two ways in which rollover relief can be used?
6. How long does an individual have to buy a replacement asset if they want to utilise rollover relief?
7. What are the potential tax planning problems involved with using the above reliefs?
8. How does business asset disposal relief work?
9. If A made a qualifying business disposal resulting in a gain of £215,000, how much capital gains tax will A have to pay, if A had made no other chargeable gains in the tax year?