

Selling a Residential Property?

You have 60 days to report and pay the tax

Written by **Gina Epps ACA**, Partner | October 2026



Selling a buy-to-let or second home? Any Capital Gains Tax must be reported and paid to HMRC within **60 days of completion**. Many people only find out when it's too late.

Why HMRC Brought This In

Property gains used to go on your annual Self Assessment return, due up to 22 months after the sale. By then the proceeds had often been spent, and Capital Gains Tax hadn't been considered at all. So from April 2020 HMRC required a separate return and payment within 30 days, extended to **60 days for sales completing on or after 27 October 2021**.

Why People Get Caught Out

Your solicitor handles the legal side of the sale, but tax advice usually isn't part of their job, so the 60-day return is often not mentioned. The first many sellers hear of it is a penalty letter.

The 60-Day Rule at a Glance

Who	UK residents selling UK residential property with tax to pay. Non-residents must report every UK property sale, even with no tax due.
Deadline	Report and pay within 60 days of the completion date (not exchange).
Tax rates	18% within your basic rate band, 24% above it, after the £3,000 annual allowance (2026/27).
If you're late	A £100 penalty, rising the later it is, plus interest on tax paid late.

Planning a sale? Talk to us *before* you exchange, ideally before you put the property up for sale. We may be able to save you tax, for example by moving part of the ownership to your spouse or civil partner so the gain is spread across both of your allowances and tax bands. Keep receipts for any improvements, and set the tax aside from the proceeds.

Setting Up Your Login

1

Create the account

Go to <https://www.gov.uk/report-and-pay-your-capital-gains-tax/if-you-sold-a-property-in-the-uk-on-or-after-6-april-2020> and click **Sign in or create an account** with your Government Gateway details.

2

Follow the prompts

Set up a **Capital Gains Tax on UK Property account**. You'll get a reference in the format XYCGTP123456789.

3

Send us your reference

We can then review or complete the return for you. Do this early, as identity checks can take time.

If you sold a property in the UK

You must report and pay any Capital Gains Tax due on UK residential property within 60 days of completing the sale of the property.

1 You may have to pay interest and a penalty if you do not report and pay on time.

If your property was jointly owned

You must report your own gain or loss. [Special rules apply if you give a UK property to your spouse, your civil partner, or to charity.](#)

Before you start

[Work out your gain](#) to find out if you have to report and pay tax.

If you're a UK resident, you do not need to report your gains online if your total gains are less than the [tax-free allowance](#).

Report and pay online

Use a Capital Gains Tax on UK property account to:

- report and pay any tax due on UK property
- view or change a previous return

If you're already registered for Self Assessment, you'll also need to include details of the sale in your [Self Assessment tax return](#).

[Sign in or create an account >](#)

The GOV.UK page: click "Sign in or create an account"

Get the Calculation Right

Working out the gain is rarely as simple as sale price minus purchase price. There are numerous reliefs and deductions that can cut the tax, including Private Residence Relief if you've ever lived there, buying and selling costs, improvement costs and losses. An accountant or tax advisor will make sure you claim everything you're entitled to.

What you need to know

You'll need the:

- address and postcode of the property
- date you got the property
- date you exchanged contracts when you were selling (or 'disposing' of) the property
- date you stopped being the property's owner (completion date)
- value of the property when you got it
- value of the property when you sold or disposed of it
- costs of buying, selling or making improvements to the property
- details of any [tax reliefs, allowances or exemptions you're entitled to claim](#)
- property type, if you're not a resident of the UK

What HMRC asks for on the return

Points to Watch

- ✓ **Gifts count too.** Giving a property, or a share of one, to family is treated as a sale at market value, so tax can be due even though no money changes hands.
- ✓ **Your own home.** If Private Residence Relief covers the whole gain, there's no 60-day return. The last 9 months of ownership always qualify, even if you've moved out.
- ✓ **Joint owners.** Each owner reports and pays on their own share, with their own account and return.
- ✓ **Separating couples.** Since April 2023, separating spouses and civil partners have up to three tax years to transfer property between them with no Capital Gains Tax, and longer under a formal divorce agreement.

This bulletin is for general guidance only and is based on our understanding of the rules at the date of publication. It is not advice for your specific circumstances, and no responsibility can be accepted for action taken or not taken as a result of it. Please talk to us before acting.

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About Us

Hanley & Co is a family run, Lancashire-based practice of chartered accountants with over 35 years' experience, supporting businesses and individuals across the UK.

- Regulated by the ICAEW
- Transparent and competitive fees
- Qualified, Lancashire-based accountants and tax advisors

"Accountants You Can Talk To"

- **You'll know who you're dealing with:** Gina oversees your affairs personally
- **Easy to reach** by text, email, Teams or phone
- **Plain English**, no jargon and no daft questions
- **We talk to you before it matters**, ahead of deadlines and tax bills

What Our Clients Say

★★★★★

"Valuable sound advice and guidance, always file on time, and reasonably priced fees. Would thoroughly recommend. These are Accountants you can freely talk to."

Landlord client

★★★★★

"Always a friendly ear to answer any questions and most importantly make any instructions clear and easy to follow. Just helps to make life that bit easier."

Self employed individual

★★★★★

"I would highly recommend Hanley & Co, they have lots of experience with my business model and they have helped me to scale."

Ltd company client



Selling a property? Talk to Gina today.

Speak to me before you exchange contracts, ideally before the property goes on the market, and we'll work out the tax, the reliefs and the reporting together. There are no daft questions.

Call **0161 339 7502** or **01253 320 018**, or email gina@hanleyandco.co.uk

Book a call at hanleyandco.co.uk/contact-us