

BUTSTINESS

SOUTH

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Don't be led up the garden path...

BE WARY about the possible tax implications when you sell your house.

According to Julie Butler partner in the Hampshire accountancy firm Butler & Co with offices at Alresford, Bishop's Waltham and Fareham, a court decision showed that taxpayers cannot make an assumption that the disposal of their main residence is exempt from capital gains tax.

She says that legislation allows half a hectare of garden subject to increased area required for

the enjoyment of a private residence.

"The Chancery division held that 7.56 hectares of stables, etc were not obviously necessary to keep horses at the house in order to enjoy it as a residence.

"Although the findings of this case did not surprise tax advisers it made them more aware of the need to warn clients that the big garden, land and stables attached to the property might not necessarily qualify for relief. "Beware and take advice are the watch words."

