



Income Tax Act 2007

2007 CHAPTER 3

[^{F1}PART 11A

LEASING ARRANGEMENTS: FINANCE LEASES AND LOANS]

[^{F1}CHAPTER 2

FINANCE LEASES WITH RETURN IN CAPITAL FORM

Effect of disposals

[^{F1}614B] **Effect of disposals of leases: general**

- (1) This section applies if the current lessor (“L”) or a person connected with L disposes of—
 - (a) the lessor's interest under the lease,
 - (b) the leased asset, or
 - (c) an asset representing the leased asset (see section 614DD).
- (2) This Part has effect as if immediately before the disposal a period of account of L ended and another began.
- (3) If—
 - (a) two or more disposals within subsection (1) are made at the same time, and
 - (b) there is any cumulative accountancy rental excess for any period of account of L in which the disposal occurs,subsection (2) has effect in relation to those disposals as if they together constituted a single disposal.
- (4) In this section “dispose” and “disposal” are to be read in accordance with TCGA 1992.
- (5) In cases where there is any cumulative accountancy rental excess for L's period of account in which the disposal occurs, section 37A of that Act (consideration on

Changes to legislation: There are outstanding changes not yet made by the [legislation.gov.uk](https://www.legislation.gov.uk) editorial team to *Income Tax Act 2007*. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

disposal of certain leases) makes provision for the purposes of that Act about the reduction of the consideration for the disposal by that excess in determining if a gain has accrued.]

Textual Amendments

- F1** Pt. 11A Ch. 2 inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), **Sch. 3 para. 3** (with [Sch. 9 paras. 1-9, 22](#))

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Income Tax Act 2007. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 24B inserted by [2023 c. 30 Sch. 2 para. 10\(3\)](#)
- s. 788(7) inserted by [2007 c. 29 Sch. 21 para. 161\(b\)](#) (The amending provision was repealed before coming into force.)