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**Changes to legislation:** There are currently no known outstanding effects for the Finance Act 2019, Cross Heading: Periods throughout which conditions for relief must be met. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 16

#### ENTREPRENEURS' RELIEF

*Periods throughout which conditions for relief must be met*

- 1 (1) Chapter 3 of Part 5 of TCGA 1992 (transfer of business assets: entrepreneurs' relief) is amended as follows.
- (2) In section 169I (material disposal of business assets)—
- (a) in subsections (3), (6) and (7A)(b) and (c), for “1 year” substitute “2 years”,
  - (b) in subsection (4)(a), for “1 year” substitute “2 years”,
  - (c) in subsections (7) and (7B)(b) and (c), for “1 year” substitute “2 years”, and
  - (d) after subsection (7) insert—
- “(7ZA) If, in any case where an individual disposes of any shares in a company—
- (a) there has been an issue of shares in the company to the individual following a relevant business transfer, and
  - (b) any of the issued shares constitute, or otherwise form part of, the shares disposed of,
- the conditions in subsection (6)(a) and (b) are to be treated as met in any period ending immediately before the transfer throughout which the individual owned the business.
- (7ZB) For the purposes of subsection (7ZA), shares have been issued “following a relevant business transfer” if they have been issued wholly or partly in exchange for the transfer of a business as a going concern, together with the whole assets of the business or the whole of those assets other than cash.”
- (3) In section 169J (disposal of trust business assets)—
- (a) in subsection (4), for “1 year” substitute “2 years”, and
  - (b) in subsection (5)(a), for “1 year” substitute “2 years”.
- (4) In section 169K(4) (disposal associated with relevant material disposal), for “1 year” substitute “2 years”.
- (5) In section 169O(6) (amount of relief: special provisions for certain trust disposals), for “1 year” substitute “2 years”.
- (6) In Schedule 7ZA (“trading company” and “trading group”), in paragraph 25 (meaning of “relevant period”)—
- (a) in sub-paragraph (a), for “1 year” substitute “2 years”, and
  - (b) in sub-paragraphs (b) and (c), for “1 year” substitute “2 years”.

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Periods throughout which conditions for relief must be met.