
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2019, Paragraph 11. (See end of Document for details)

SCHEDULES

SCHEDULE 8

CORPORATION TAX EXIT CHARGES

PART 3

TREATMENT OF ASSETS SUBJECT TO EU EXIT CHARGES

- 11 (1) After section 184I of TCGA 1992 insert—

“Assets subject to EU exit charges

184J Asset subject to EU exit charge on becoming chargeable asset

- (1) This section applies if—
- (a) an asset becomes a chargeable asset in relation to a company by reason of an event specified in subsection (2), and
 - (b) on the occurrence of that event the company becomes subject to an EU exit charge in relation to the asset.
- (2) The events are—
- (a) the company becoming resident in the United Kingdom, and
 - (b) in the case of a company that is not resident in the United Kingdom, the asset beginning to be held for the purposes of a trade carried on by the company in the United Kingdom through a permanent establishment.
- (3) The company is to be treated for the purposes of this Act as if it had acquired the asset for its market value at the time it became a chargeable asset in relation to the company.
- (4) For the purposes of this section an asset is a “chargeable asset” in relation to a company at any time if any gain on its disposal by the company at that time would be chargeable to corporation tax.
- (5) “EU exit charge” means a charge to tax under the law of a member State in accordance with Article 5(1) of [Directive \(EU\) 2016/1164](#) of the European Parliament and of the Council of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market.”
- (2) The amendment made by this paragraph has effect in relation to assets that become chargeable assets on or after 1 January 2020.

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