
Status: Point in time view as at 24/05/2024.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Application of CGT principles etc is up to date with all changes known to be in force on or before 27 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

[^{F1}PART 1

CAPITAL GAINS TAX AND CORPORATION TAX ON CHARGEABLE GAINS

CHAPTER 2

CORPORATION TAX ON CHARGEABLE GAINS

[^{F1}Application of CGT principles etc

Textual Amendments

- F1** Pt. 1 substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by Finance Act 2019 (c. 1), [Sch. 1 para. 2](#)

2D Application of CGT principles in calculating gains and losses

- (1) The total amount of chargeable gains to be included in a company's total profits for an accounting period is calculated for corporation tax purposes in accordance with capital gains tax principles.
- (2) All of the following questions are determined in accordance with the enactments relating to capital gains tax as if accounting periods were tax years—
 - (a) any question as to the amounts to be, or not to be, taken into account as chargeable gains or allowable losses,
 - (b) any question as to the amounts to be, or not to be, taken into account in calculating gains or losses,
 - (c) any question as to the amounts charged to tax as a company's gains, and
 - (d) any question as to the time when any amount is treated as accruing.
- (3) This section is subject to any provision made elsewhere by the Corporation Tax Acts.

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2E References to income tax or Income Tax Acts in case of companies

- (1) If the CGT enactments contain any reference to—
 - (a) income tax, or
 - (b) the Income Tax Acts,the reference is, in relation to a company, to be read as a reference to corporation tax or the Corporation Tax Acts.
- (2) But—
 - (a) this does not affect references to income tax in section 39(2), and
 - (b) so far as the CGT enactments operate by reference to matters of any specified description, account is to be taken for corporation tax purposes of matters of that description confined to companies but not of any confined to individuals.
- (3) In this section “the CGT enactments” means the enactments relating to capital gains tax.

2F Interaction of capital gains tax and corporation tax

- (1) This Act as it has effect in accordance with this Chapter is not to be affected in its operation by the fact that capital gains tax and corporation tax are distinct taxes.
- (2) But this Act is, so far as it is consistent with the Corporation Tax Acts, to apply in relation to capital gains tax and corporation tax on gains as if they were one tax.
- (3) Accordingly, a matter which in a case involving two individuals is relevant to both of them in relation to capital gains tax is in a similar case involving an individual and a company—
 - (a) relevant to the individual in relation to capital gains tax, and
 - (b) relevant to the company in relation to corporation tax.]

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