



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### [<sup>F1</sup>PART 1 U.K.]

#### CAPITAL GAINS TAX AND CORPORATION TAX ON CHARGEABLE GAINS

### CHAPTER 2 U.K.]

#### CORPORATION TAX ON CHARGEABLE GAINS

#### *[<sup>F1</sup>Corporation tax on chargeable gains: the general scheme*

#### 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](#)

#### **2 Corporation tax on chargeable gains U.K.]**

- (1) As a result of section 2(1) and (2) of CTA 2009, corporation tax is charged on chargeable gains accruing to a company on the disposal of assets.
- (2) The charge to corporation tax on chargeable gains has effect in accordance with this Act and all other relevant provisions of the Corporation Tax Acts.

#### **2A Company's total profits to include chargeable gains U.K.]**

- (1) The amount of chargeable gains to be included in a company's total profits for an accounting period is the total amount of chargeable gains accruing to the company in the period after deducting—
  - (a) any allowable losses accruing to the company in the period, and

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**Changes to legislation:** *Taxation of Chargeable Gains Act 1992, Cross Heading: Corporation tax on chargeable gains: the general scheme is up to date with all changes known to be in force on or before 15 July 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) View outstanding changes*

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- (b) so far as not previously deducted under this subsection, any allowable losses previously accruing to the company while it was within the charge to corporation tax.
- (2) For the purposes of corporation tax on gains “allowable loss” does not include a loss accruing to a company if, had a gain accrued, the company would not have been chargeable to corporation tax on the gain.
- [ Subsection (4) applies if—
- <sup>F2</sup>(3) (a) a company has two or more accounting periods that fall wholly within the same financial year,
- (b) the company is chargeable to corporation tax for each of those accounting periods only because of a chargeable gain accruing to the company on the disposal of asset, and
- (c) in the period (if any) between each of those accounting periods, the company is not within the charge to corporation tax.]]

#### **Textual Amendments**

**F2** S. 2A(3)(4) inserted (with effect in relation to accounting periods beginning on or after 1.4.2020) by [Finance Act 2020 \(c. 14\)](#), [Sch. 4 paras. 39, 42](#) (with [Sch. 4 paras. 43-46](#))

#### **Modifications etc. (not altering text)**

- C1** S. 2A applied (with modifications) (with effect in accordance with Sch. 4 para. 43(1) of the amending Act) by [Finance Act 2020 \(c. 14\)](#), [Sch. 4 para. 44\(2\)\(3\)](#)
- C2** [S. 2A\(1\)\(a\)](#) modified (with application in accordance with Sch. 4 para. 45(1)(2) of the amending Act) by [Finance Act 2020 \(c. 14\)](#), [Sch. 4 para. 45\(3\)](#)
- C3** [S. 2A\(1\)\(b\)](#) modified (retrospective to 29.10.2018) by [Finance Act 2020 \(c. 14\)](#), [Sch. 4 para. 46](#)

**Changes to legislation:**

Taxation of Chargeable Gains Act 1992, Cross Heading: Corporation tax on chargeable gains: the general scheme is up to date with all changes known to be in force on or before 15 July 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.

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

- Act applied by [1997 c. 16 Sch. 12 para. 12\(7\)](#)[1314](#)
- Act applied by [2002 c. 23 Sch. 16 para. 48\(1\)\(2\)](#)
- Act construed as one with reg. 37 by [S.I. 2006/575 reg. 37\(2\)](#)
- Act construed as one with reg. 38 by [S.I. 2006/575 reg. 38\(3\)](#)

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

- s. 4(10)(11) inserted by [2016 c. 11 s. 15\(4\)](#)
- s. 4(10) words inserted by [2016 c. 24 s. 83\(11\)](#)
- s. 35(3)(d)(xviii) added by [2008 c. 17 Sch. 7 para. 9](#)
- s. 35(3)(d)(xviii) inserted by [2008 c. 18 Sch. 13 para. 46](#)
- s. 35(3)(d)(xviii) repealed by [S.I. 2008/3002 Sch. 1 para. 42](#)[Sch. 3](#) (This amendment comes into force on the day 2008 c. 4, s. 5 comes into force, see art. 1(2). That provision was brought into force on 1.12.2008 by [S.I. 2008/3068](#), art. 2(1)(b))
- s. 104(4)(b)(i) words substituted by [S.I. 1989/469](#), reg. 27(2) (as amended) by [S.I. 1997/1716 reg. 13\(1\)\(b\)](#)
- s. 107(11) words substituted by [S.I. 1989/469](#), reg. 27(2A) (as amended) by [S.I. 1997/1716 reg. 13\(2\)\(b\)](#)
- s. 169S(4A) inserted by [2015 c. 11 s. 43\(2\)](#)
- s. 587B inserted by [2000 c. 17 s. 43\(1\)](#)
- Sch. 5C para. 3(1) modified by [S.I. 2004/2199 reg. 7\(1\)](#)
- Sch. 5C para. 3(6) modified by [S.I. 2004/2199 reg. 7\(2\)](#)
- Sch. 5C para. 5(1) modified by [S.I. 2004/2199 reg. 7\(3\)](#)
- Sch. 5C para. 3 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 5 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 6 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 3(1)(f) words substituted by [2007 c. 3 Sch. 1 para. 347](#)