



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART VII

OTHER PROPERTY, BUSINESSES, INVESTMENTS ETC.

Miscellaneous reliefs and exemptions

262 Chattel exemption.

- (1) Subject to this section a gain accruing on a disposal of an asset which is tangible movable property shall not be a chargeable gain if the amount or value of the consideration for the disposal does not exceed £6,000.
- (2) Where the amount or value of the consideration for the disposal of an asset which is tangible movable property exceeds £6,000, there shall be excluded from any chargeable gain accruing on the disposal so much of it as exceeds five-thirds of the difference between—
 - (a) the amount or value of the consideration, and
 - (b) £6,000.
- (3) Subsections (1) and (2) above shall not affect the amount of an allowable loss accruing on the disposal of an asset, but for the purposes of computing under this Act the amount of a loss accruing on the disposal of tangible movable property the consideration for the disposal shall, if less than £6,000, be deemed to be £6,000 and the losses which are allowable losses shall be restricted accordingly.
- (4) If 2 or more assets which have formed part of a set of articles of any description all owned at one time by one person are disposed of by that person, and—
 - (a) to the same person, or
 - (b) to persons who are acting in concert or who are connected persons,whether on the same or different occasions, the 2 or more transactions shall be treated as a single transaction disposing of a single asset, but with any necessary apportionments of the reductions in chargeable gains, and in allowable losses, under subsections (2) and (3) above.

Status: Point in time view as at 06/04/2006.

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- (5) If the disposal is of a right or interest in or over tangible movable property—
- (a) in the first instance subsections (1), (2) and (3) above shall be applied in relation to the asset as a whole, taking the consideration as including the market value of what remains undisposed of, in addition to the actual consideration,
 - (b) where the sum of the actual consideration and that market value exceeds £6,000, the part of any chargeable gain that is excluded from it under subsection (2) above shall be so much of the gain as exceeds five-thirds of the difference between that sum and £6,000 multiplied by the fraction equal to the actual consideration divided by the said sum, and
 - (c) where that sum is less than £6,000 any loss shall be restricted under subsection (3) above by deeming the consideration to be the actual consideration plus the said fraction of the difference between the said sum and £6,000.
- (6) This section shall not apply—
- (a) in relation to a disposal of commodities of any description by a person dealing on a terminal market or dealing with or through a person ordinarily engaged in dealing on a terminal market, or
 - (b) in relation to a disposal of currency of any description.

263 Passenger vehicles.

A mechanically propelled road vehicle constructed or adapted for the carriage of passengers, except for a vehicle of a type not commonly used as a private vehicle and unsuitable to be so used, shall not be a chargeable asset; and accordingly no chargeable gain or allowable loss shall accrue on its disposal.

[^{F1}263ZA] Former employees: employment-related liabilities

- (1) This section applies if—
- (a) a deduction of the amount of one or more deductible payments may be made under section 555 of ITEPA 2003 (former employee entitled to deduction from total income in respect of liabilities related to the former employment) when computing a former employee's total income for a tax year, and
 - (b) the total amount which may be deducted exceeds the total income for that year.
- (2) In this section “excess relief” means the amount of the difference between—
- (a) the total amount which may be deducted, and
 - (b) the total income.
- (3) The amount of the excess relief may be treated as an allowable loss accruing to the former employee for that tax year.
- This subsection applies only if the former employee makes a claim for the purpose.
- (4) But no relief is available under subsection (3) in respect of any amount of the excess relief that exceeds the maximum amount.
- (5) For the purposes of this section the “maximum amount”, in relation to the excess relief for a tax year, means the amount on which the former employee would be chargeable to capital gains tax for that year if the following were disregarded—

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- (a) any relief available under this section,
 - (b) any allowable losses falling to be carried forward to that year from a previous year for the purposes of section 2(2),
 - (c) section 3(1) (the annual exempt amount),
 - (d) any relief against capital gains tax under section 72 of the Finance Act 1991 (deduction of trading losses), and
 - (e) any relief against capital gains tax under section 90(4) of the Finance Act 1995 (relief for post-cessation expenditure).
- (6) A former employee may make a claim under subsection (3) and a claim under section 555(3) of ITEPA 2003 in the same notice.]

Textual Amendments

- F1** S. 263ZA inserted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 6 para. 217](#) (with [Sch. 7](#))

[^{F2}263A Agreements for sale and repurchase of securities.

- (1) Subject to subsections (2) to (4) below, in any case falling within subsection (1) of section 730A of the Taxes Act (treatment of price differential on sale and repurchase of securities) and in any case which would fall within that subsection if the sale price and the repurchase price were different—
- (a) the acquisition of the securities in question by the interim holder and the disposal of those securities by him to the repurchaser, and
 - (b) except where the repurchaser is or may be different from the original owner, the disposal of those securities by the original owner and any acquisition of those securities by the original owner as the repurchaser,
- shall be disregarded for the purposes of capital gains tax.
- (2) Subsection (1) above does not apply in any case where the repurchase price of the securities in question falls to be calculated for the purposes of section 730A of the Taxes Act by reference to provisions of section 737C of that Act that are not in force in relation to those securities when the repurchase price becomes due.
- (3) Subsection (1) above does not apply if—
- (a) the agreement or agreements under which provision is made for the sale and repurchase are not such as would be entered into by persons dealing with each other at arm's length; or
 - (b) any of the benefits or risks arising from fluctuations, before the repurchase takes place, in the market value of the securities sold accrues to, or falls on, the interim holder.
- (4) Subsection (1) above does not apply in relation to any disposal or acquisition of qualifying corporate bonds in a case where the securities disposed of by the original owner or those acquired by him, or by any other person, as the repurchaser are not such bonds.
- (5) Expressions used in this section and in section 730A of the Taxes Act have the same meanings in this section as in that section.]

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Textual Amendments

- F2** S. 263A inserted (with effect in accordance with s. 80(5) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 80\(4\)](#)

Modifications etc. (not altering text)

- C1** S. 263A applied (with modifications) (2.1.1996) by [The Sale and Repurchase of Securities \(Modification of Enactments\) Regulations 1995 \(S.I. 1995/3220\)](#), regs. 1, 5
- C2** S. 263A(1) applied (with modifications) (2.1.1996) by [The Sale and Repurchase of Securities \(Modification of Enactments\) Regulations 1995 \(S.I. 1995/3220\)](#), regs. 1, 4
- C3** S. 263A(1) modified (1.1.1999) by [The European Single Currency \(Taxes\) Regulations 1998 \(S.I. 1998/3177\)](#), regs. 1, **14-18**

[^{F3}263B Stock lending arrangements.

- (1) In this section “stock lending arrangement” means so much of any arrangements between two persons (“the borrower” and “the lender”) as are arrangements under which—
 - (a) the lender transfers securities to the borrower otherwise than by way of sale; and
 - (b) a requirement is imposed on the borrower to transfer those securities back to the lender otherwise than by way of sale.
- (2) Subject to the following provisions of this section and section 263C(2), the disposals and acquisitions made in pursuance of any stock lending arrangement shall be disregarded for the purposes of capital gains tax.
- (3) Where—
 - (a) the borrower under any stock lending arrangement disposes of any securities transferred to him under the arrangement,
 - (b) that disposal is made otherwise than in the discharge of the requirement for the transfer of securities back to the lender, and
 - (c) that requirement, so far as it relates to the securities disposed of, has been or will be discharged by the transfer of securities other than those transferred to the borrower,

any question relating to the acquisition of the securities disposed of shall be determined (without prejudice to the provisions of Chapter I of Part IV) as if the securities disposed of were the securities with which that requirement (so far as relating to the securities disposed of) has been or will be discharged.
- (4) Where, in the case of any stock lending arrangement, it becomes apparent, at any time after the making of the transfer by the lender, that the requirement for the borrower to make a transfer back to the lender will not be complied with—
 - (a) the lender shall be deemed for the purposes of this Act to have made a disposal at that time of the securities transferred to the borrower;
 - (b) the borrower shall be deemed to have acquired them at that time; and
 - (c) subsection (3) above shall have effect in relation to any disposal before that time by the borrower of securities transferred to him by the lender as if the securities deemed to have been acquired by the borrower in accordance with paragraph (b) above were to be used for discharging a requirement to transfer securities back to the lender.

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- (5) References in this section, in relation to a person to whom securities are transferred, to the transfer of those securities back to another person shall be construed as if the cases where those securities are taken to be transferred back to that other person included any case where securities of the same description as those securities are transferred to that other person either—
- (a) in accordance with a requirement to transfer securities of the same description; or
 - (b) in exercise of a power to substitute securities of the same description for the securities that are required to be transferred back.
- (6) For the purposes of this section securities shall not be taken to be of the same description as other securities unless they are in the same quantities, give the same rights against the same persons and are of the same type and nominal value as the other securities.
- (7) In this section—
- “interest” includes dividends; and
 - “securities” means United Kingdom equities, United Kingdom securities or overseas securities (within the meaning, in each case, of Schedule 23A to the Taxes Act).

Textual Amendments

- F3** Ss. 263B, 263C inserted (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by [Finance Act 1997 \(c. 16\)](#), [Sch. 10 para. 5\(1\)](#); S.I. 1997/991, art. 2

Modifications etc. (not altering text)

- C4** S. 263B modified (1.1.1999) by [The European Single Currency \(Taxes\) Regulations 1998 \(S.I. 1998/3177\)](#), regs. 1, [22\(2\)](#)

263C Stock lending involving redemption.

- (1) In section 263B references to the transfer back to a person of securities transferred by him shall be taken to include references to the payment to him, in pursuance of an obligation arising on any person’s becoming entitled to receive an amount in respect of the redemption of those securities, of an amount equal to the amount of the entitlement.
- (2) Where, in pursuance of any such obligation, the lender under any stock lending arrangement is paid any amount in respect of the redemption of any securities to which the arrangement relates—
- (a) that lender shall be deemed for the purposes of this Act to have disposed, for that amount, of the securities in respect of whose redemption it is paid (“the relevant lent securities”);
 - (b) the borrower shall not, in respect of the redemption, be taken for the purposes of this Act to have made any disposal of the relevant lent securities; and
 - (c) section 263B(3) shall have effect in relation to disposals of any of the relevant lent securities made by the borrower before the redemption as if—
 - (i) the amount paid to the lender were an amount paid for the acquisition of securities, and

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(ii) the securities acquired were to be used by the borrower for discharging a requirement under the arrangement to transfer the relevant lent securities back to the lender.

(3) Expressions used in this section and section 263B have the same meanings in this section as in that section.]

Textual Amendments

F3 Ss. 263B, 263C inserted (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by Finance Act 1997 (c. 16), **Sch. 10 para. 5(1)**; S.I. 1997/991, art. 2

[^{F4}263D Gains accruing to persons paying manufactured dividends

- (1) This section applies where one of the following conditions is satisfied in relation to a person who—
 - (a) is resident in the United Kingdom, but
 - (b) is not a company.
- (2) Condition 1 is that—
 - (a) the person is the interim holder under a repurchase agreement,
 - (b) he disposes of any United Kingdom equities transferred to him under that agreement,
 - (c) a chargeable gain accrues to him on that disposal, and
 - (d) under that agreement, he pays a manufactured dividend which is representative of a dividend on those United Kingdom equities.
- (3) Condition 2 is that—
 - (a) the person is the borrower under a stock lending arrangement,
 - (b) he disposes of any United Kingdom equities transferred to him under that arrangement,
 - (c) a chargeable gain accrues to him on that disposal, and
 - (d) under that arrangement, he pays a manufactured dividend which is representative of a dividend on those United Kingdom equities.
- (4) Condition 3 is that—
 - (a) the person is a party to a contract or other arrangements for the transfer of United Kingdom equities which is neither a repurchase agreement nor a stock lending arrangement (“the short sale transaction”),
 - (b) he disposes of the United Kingdom equities under the short sale transaction,
 - (c) a chargeable gain accrues to him on that disposal, and
 - (d) under that transaction, he pays a manufactured dividend which is representative of a dividend on those United Kingdom equities.
- (5) For the purposes of capital gains tax, a loss shall be treated as accruing to the person on the date on which the chargeable gain mentioned in Condition 1, 2 or 3 accrued to him.
- (6) The amount of that loss shall be equal to the lesser of—
 - (a) the amount of that chargeable gain, and
 - (b) the adjusted amount.

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(7) In subsection (6) above “the adjusted amount” means—

AB

where—

A is the lesser of—

- (a) the amount of the manufactured dividend paid, and
- (b) the amount of the dividend of which the manufactured dividend is representative; and

B is an amount equal to so much of the manufactured dividend paid as is allowable to the person as a deduction for the purposes of income tax under paragraph 2A of Schedule 23A to the Taxes Act.

(8) But that loss shall not be deductible except from the chargeable gain mentioned in Condition 1, 2 or 3.

(9) For the purposes of this section “manufactured dividend” has the same meaning as in paragraph 2 of Schedule 23A to the Taxes Act; and any reference to a manufactured dividend being paid—

- (a) includes a reference to a payment falling by virtue of section 737A(5) of that Act to be treated for the purposes of Schedule 23A as if it were made, but
- (b) does not include a reference to a payment falling by virtue of section 736B(2) of that Act to be treated for the purposes of that Schedule as if it were made.

(10) For the purposes of this section the cases where there is a repurchase agreement are the following—

- (a) any case falling within subsection (1) of section 730A of the Taxes Act, and
- (b) any case which would fall within that subsection if the sale price and the repurchase price were different;

and, in any such case, any reference to the interim holder shall be construed accordingly.

(11) In this section “stock lending arrangement” has the same meaning as in section 263B of this Act; and, in relation to any such arrangement, any reference to the borrower shall be construed accordingly.

(12) In this section “United Kingdom equities” has the meaning given by paragraph 1 (1) of Schedule 23A to the Taxes Act.]

Textual Amendments

- F4** S. 263D inserted (with effect in accordance with Sch. 24 para. 3(3) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 24 para. 3\(1\)](#)

264 Relief for local constituency associations of political parties on reorganisation of constituencies.

(1) In this section “relevant date” means the date of coming into operation of an Order in Council under the ^{M1}Parliamentary Constituencies Act 1986 (orders specifying new parliamentary constituencies) and, in relation to any relevant date—

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- (a) “former parliamentary constituency” means an area which, for the purposes of parliamentary elections, was a constituency immediately before that date but is no longer such a constituency after that date; and
 - (b) “new parliamentary constituency” means an area which, for the purposes of parliamentary elections, is a constituency immediately after that date but was not such a constituency before that date.
- (2) In this section “local constituency association” means an unincorporated association (whether described as an association, a branch or otherwise) whose primary purpose is to further the aims of a political party in an area which at any time is or was the same or substantially the same as the area of a parliamentary constituency or 2 or more parliamentary constituencies and, in relation to any relevant date—
- (a) “existing association” means a local constituency association whose area was the same, or substantially the same, as the area of a former parliamentary constituency or 2 or more such constituencies; and
 - (b) “new association” means a local constituency association whose area is the same, or substantially the same, as the area of a new parliamentary constituency or 2 or more such constituencies.
- (3) For the purposes of this section, a new association is a successor to an existing association if any part of the existing association’s area is comprised in the new association’s area.
- (4) In any case where, before, on or after a relevant date—
- (a) an existing association disposes of land to a new association which is a successor to the existing association, or
 - (b) an existing association disposes of land to a body (whether corporate or unincorporated) which is an organ of the political party concerned and, as soon as practicable thereafter, that body disposes of the land to a new association which is a successor to the existing association,
- the parties to the disposal or, where paragraph (b) above applies, to each of the disposals, shall be treated for the purposes of tax on chargeable gains as if the land disposed of were acquired from the existing association or the body making the disposal for a consideration of such an amount as would secure that on the disposal neither a gain nor a loss accrued to that association or body.
- (5) In a case falling within subsection (4) above, the new association shall be treated for the purposes of Schedule 2 as if the acquisition by the existing association of the land disposed of as mentioned in that subsection had been the new association’s acquisition of it.
- (6) In any case where—
- (a) before, on or after a relevant date, an existing association disposes of any land which was used and occupied by it for the purposes of its functions, and
 - (b) the existing association transfers the whole or part of the proceeds of the disposal to a new association which is a successor to the existing association,
- then, subject to subsection (7) below, this Act (and, in particular, the provisions of sections 152 to 158) shall have effect as if, since the time it was acquired by the existing association, the land disposed of had been the property of the new association and, accordingly, as if the disposal of it had been by the new association.
- (7) If, in a case falling within subsection (6) above, only part of the proceeds of the disposal is transferred to the new association, that subsection shall apply—

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- (a) as if there existed in the land disposed of as mentioned in paragraph (a) of that subsection a separate asset in the form of a corresponding undivided share in that land, and subject to any necessary apportionments of consideration for an acquisition or disposal of, or of an interest in, that land; and
- (b) as if the references in that subsection (other than paragraph (a) thereof) to the land disposed of and the disposal of it were references respectively to the corresponding undivided share referred to in paragraph (a) above and the disposal of that share;

and for this purpose a corresponding undivided share in the land disposed of is a share which bears to the whole of that land the same proportion as the part of the proceeds transferred bears to the whole of those proceeds.

- (8) In this section “political party” means a political party which qualifies for exemption under section 24 of the ^{M2}Inheritance Tax Act 1984 (gifts to political parties).

Marginal Citations

M1 1986 c. 56.

M2 1984 c. 51.

265 Designated international organisations.

- (1) Where—
 - (a) the United Kingdom or any of the Communities is a member of an international organisation; and
 - (b) the agreement under which it became a member provides for exemption from tax, in relation to the organisation, of the kind for which provision is made by this section;

the Treasury may by order designate that organisation for the purposes of this section.

- (2) The Treasury may by order designate any of the Communities or the European Investment Bank for the purposes of this section.
- (3) Where an organisation has been designated for the purposes of this section, then any security issued by the organisation shall be taken, for the purposes of [^{F5}this Act], to be situated outside the United Kingdom.

Textual Amendments

F5 Words in s. 265(3) substituted (with effect in accordance with Sch. 4 para. 10(1) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), Sch. 4 para. 3(2)

266 Inter-American Development Bank.

A security issued by the Inter-American Development Bank shall be taken for the purposes of this Act to be situated outside the United Kingdom.

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267 Sharing of transmission facilities.

- (1) This section applies to any agreement relating to the sharing of transmission facilities—
- (a) to which the parties are national broadcasting companies,
 - (b) which is entered into on or after 25th July 1991 (the day on which the ^{M3}Finance Act 1991 was passed) and before 1st January 1992 or such later date as may be specified for the purposes of this paragraph by the Secretary of State, and
 - (c) in relation to which the Secretary of State has certified that it is expedient that this section should apply.
- (2) Where under an agreement to which this section applies one party to the agreement disposes of an asset to another party to the agreement, both parties shall be treated for the purposes of corporation tax on chargeable gains as if the asset acquired by the party to whom the disposal is made were acquired for a consideration of such amount as would secure that on the other's disposal neither a gain nor a loss would accrue to that other.
- (3) Where under an agreement to which this section applies one party to the agreement disposes of an asset to another party to the agreement and the asset is one which the party making the disposal acquired on a part disposal by the party to whom the disposal under the agreement is made, then in applying subsection (2) above—
- (a) section 42 shall be deemed to have had effect in relation to the part disposal with the omission of subsection (4),
 - (b) the amount or value of the consideration for the part disposal shall be taken to have been nil, and
 - (c) if the disposal under the agreement is one to which section 35(2) applies, the market value of the asset on 31st March 1982 shall be taken to have been nil.
- (4) In this section “national broadcasting company” means a body corporate engaged in the broadcasting for general reception by means of wireless telegraphy of radio or television services or both on a national basis.

Marginal Citations

M3 1991 c. 31.

268 Decorations for valour or gallant conduct.

A gain shall not be a chargeable gain if accruing on the disposal by any person of a decoration awarded for valour or gallant conduct which he acquired otherwise than for consideration in money or money's worth.

269 Foreign currency for personal expenditure.

A gain shall not be a chargeable gain if accruing on the disposal by an individual of currency of any description acquired by him for the personal expenditure outside the United Kingdom of himself or his family or dependants (including expenditure on the provision or maintenance of any residence outside the United Kingdom).

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270 Chevening Estate.

The enactments relating to capital gains tax (apart from this section) shall not apply in respect of property held on the trusts of the trust instrument set out in the Schedule to the ^{M4}Chevening Estate Act 1959.

Marginal Citations

M4 1959 c. 49.

271 Other miscellaneous exemptions.

- (1) The following gains shall not be chargeable gains—
- (a) gains accruing on the disposal of stock—
 - [^{F6}(i) transferred, in pursuance of any Act of Parliament, to accounts in the books of the Bank of England in the name of the Treasury or the National Debt Commissioners;
 - (ia) transferred, in pursuance of any Act of Parliament, to the Treasury or the National Debt Commissioners and in respect of which the Treasury or those Commissioners are entered as holder in the registers kept by the Registrar of Government Stock; or]
 - (ii) belonging to the Crown, in whatever name it may stand in the books of the Bank of England [^{F7}or in the registers kept by the Registrar of Government Stock];
 - (b) any gain accruing to a person from his acquisition and disposal of assets held by him as part of [^{F8}the Fund mentioned in section 613(4) of the Taxes Act (House of Commons Members’ Fund);]
 - [^{F9}(c) any gain accruing to a person from his acquisition and disposal of assets held by him as part of a fund—
 - (i) mentioned in section 614(2) of the Taxes Act,
 - (ii) to which section 615(3) of the Taxes Act applies, or
 - (iii) mentioned in section 648, 649, 650, 651 or 653 of ITEPA 2003;]
 - ^{F10}(d)
 - (e) any gain accruing on the disposal by the trustees of any settled property held on trusts in accordance with directions which are valid and effective under section 9 of the ^{M5}Superannuation and Trust Funds (Validation) Act 1927 (trust funds for the reduction of the National Debt);
 - [^{F11}(ea) any gain accruing on the disposal by the trustees of an asbestos compensation settlement of any property comprised in the settlement;]
 - (f) any gain accruing to a consular officer or employee, within the meaning of [^{F12}section 771 of ITTOIA 2005], of any foreign state to which that section applies on the disposal of assets which at the time of the disposal were situated outside the United Kingdom;
 - ^{F13}(g)
 - ^{F14}(h)
 - ^{F15}(j)
 - ^{F16}

[^{F17}(1ZA) In subsection (1)(ea) above “asbestos compensation settlement” means a settlement—

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- (a) the sole or main purpose of which is making compensation payments to or in respect of individuals who have, or had before their death, an asbestos-related condition, and
- (b) which is made before 24 March 2010 in pursuance of an arrangement within subsection (1ZB) below.

(1ZB) An arrangement is within this subsection if it is—

- (a) a voluntary arrangement that has taken effect under Part 1 of the Insolvency Act 1986 or Part 2 of the Insolvency (Northern Ireland) Order 1989,
- (b) a compromise or arrangement that has taken effect under section 425 of the Companies Act 1985, Article 418 of the Companies (Northern Ireland) Order 1986 or Part 26 of the Companies Act 2006, or
- (c) an arrangement or compromise of a kind corresponding to any of those mentioned in paragraph (a) or (b) above that has taken effect under, or as a result of, the law of a country or territory outside the United Kingdom.]

[^{F18}(1A) A gain accruing to a person on a disposal of investments held for the purposes of a registered pension scheme is not a chargeable gain.]

[^{F19}(1B) But subsection (1A) does not prevent such a gain from being treated as a chargeable gain for the purposes of sections 185F to 185I of the Finance Act 2004 (scheme chargeable payments: gains from taxable property).]

^{F20}(2)

- (3) A local authority, a local authority association and a health service body shall be exempt from capital gains tax.

In this subsection “local authority association” and “health service body” have the meanings given by sections 519 and 519A of the Taxes Act respectively.

- (4) Any [^{F21}interest] to which [^{F22}section 702 of ITTOIA 2005 (certified SAYE savings arrangements)] applies shall be disregarded for all purposes of the enactments relating to capital gains tax.

In any case where there is a transfer to which section 216 applies, this subsection shall have effect in relation to any [^{F21}interest] payable after the transfer under a [^{F23}savings arrangement] which immediately before the transfer was a [^{F24}certified SAYE savings arrangement] notwithstanding that it ceased to be such a [^{F25}arrangement] by reason of the transfer.

[^{F26}In this subsection “certified SAYE savings arrangement” has the meaning given by section 703 of ITTOIA 2005.]

- (5) A signatory to the Operating Agreement made pursuant to the Convention on the International Maritime Satellite Organisation which came into force on 16th July 1979, other than a signatory designated for the purposes of the Agreement by the United Kingdom in accordance with the Convention, shall be exempt from capital gains tax in respect of any payment received by that signatory from the Organisation in accordance with the Agreement.

- (6) The following shall, on a claim made in that behalf to the Board, be exempt from tax in respect of all chargeable gains—

- (a) the Trustees of the British Museum and the Trustees of the [^{F27}Natural History Museum]; and

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- (b) an Association within the meaning of section 508 of the Taxes Act (scientific research organisations).
- (7) The Historic Buildings and Monuments Commission for England, the Trustees of the National Heritage [^{F28}Memorial Fund and the][^{F29}National Endowment for Science, Technology and the Arts]^{F30} ... ^{F31} ... shall be exempt from tax in respect of chargeable gains^{F32} ...
- (8) There shall be exempt from tax any chargeable gains accruing to the issue department of the Reserve Bank of India constituted under an Act of the Indian legislature called the Reserve Bank of India Act 1934, or to the issue department of the State Bank of Pakistan constituted under certain orders made under section 9 of the ^{M6}Indian Independence Act 1947.
- ^{F33}(9)
- (10) In [^{F34}subsection (1A)] above “investments” includes futures contracts and options contracts^{F35} ...
- (11) For the purposes of subsection (10) above a contract is not prevented from being a futures contract or an options contract by the fact that any party is or may be entitled to receive or liable to make, or entitled to receive and liable to make, only a payment of a sum (as opposed to a transfer of assets other than money) in full settlement of all obligations.
- ^{F36}(12) [^{F37}Subsections (1)(b) and (c) and (1A)] above do not apply to gains accruing to a person from the acquisition and disposal by him of assets held as a member of a property investment LLP.]

Textual Amendments

- F6** S. 271(1)(a)(i)(ia) substituted for s. 271(1)(a)(i) (15.11.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No.3\) Order 2004 \(S.I. 2004/2744\)](#), art. 1, **Sch. para. 3(2)(a)** (with art. 3)
- F7** Words in s. 271(1)(a)(ii) inserted (15.11.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No.3\) Order 2004 \(S.I. 2004/2744\)](#), art. 1, **Sch. para. 3(2)(b)** (with art. 3)
- F8** Words in s. 271(1)(b) substituted (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **ss. 187(2)**, 284(1) (with Sch. 36)
- F9** S. 271(1)(c) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 6 para. 218** (with Sch. 7)
- F10** S. 271(1)(d) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **ss. 187(3)(a)**, 284(1), **Sch. 42 Pt. 3** (with Sch. 36)
- F11** S. 271(1)(ea) inserted (retrospective to 6.4.2006) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), **Sch. 14 para. 2(2)(4)**
- F12** Words in s. 271(1)(f) substituted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), **Sch. 1 para. 445(2)** (with Sch. 2)
- F13** S. 271(1)(g) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **ss. 187(3)(b)**, 284(1), **Sch. 42 Pt. 3** (with Sch. 36)
- F14** S. 271(1)(h) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **ss. 187(3)(c)**, 284(1), **Sch. 42 Pt. 3** (with Sch. 36)
- F15** S. 271(1)(j) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **ss. 187(3)(d)**, 284(1), **Sch. 42 Pt. 3** (with Sch. 36)
- F16** Words in s. 271(1) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **ss. 187(3)**, 284(1), **Sch. 42 Pt. 3** (with Sch. 36)

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- F17** S. 271(1ZA)(1ZB) inserted (retrospective to 6.4.2006) by Finance (No. 3) Act 2010 (c. 33), **Sch. 14 para. 2(3)(4)**
- F18** S. 271(1A) inserted (6.4.2006) by Finance Act 2004 (c. 12), **ss. 187(4), 284(1)** (with Sch. 36)
- F19** S. 271(1B) inserted (retrospective to 6.4.2006) by Finance Act 2006 (c. 25), s. 158(2), **Sch. 21 para. 1**
- F20** S. 271(2) repealed (6.4.2006) by Finance Act 2004 (c. 12), **ss. 187(5), 284(1), Sch. 42 Pt. 3** (with Sch. 36)
- F21** Word in s. 271(4) substituted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 445(3)(a)** (with Sch. 2)
- F22** Words in s. 271(4) substituted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 445(3)(b)** (with Sch. 2)
- F23** Words in s. 271(4) substituted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 445(3)(c)** (with Sch. 2)
- F24** Words in s. 271(4) substituted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 445(3)(d)** (with Sch. 2)
- F25** Word in s. 271(4) substituted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 445(3)(e)** (with Sch. 2)
- F26** Words in s. 271(4) inserted (with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 883(1), **Sch. 1 para. 445(3)(f)** (with Sch. 2)
- F27** Words in s. 271(6)(a) substituted (1.9.1992) by 1992 c. 44, s. 11(2), **Sch. 8 Pt. 1 para. 1(1)(2)(9)**; S.I. 1992/1874, **art.2**
- F28** Words in s. 271(7) substituted (with effect in accordance with s. 46(5)(a) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), **s. 46(3)(a)** (with s. 46(7))
- F29** Words in s. 271(7) inserted (2.7.1998) by National Lottery Act 1998 (c. 22), **ss. 24(2), 27(4)(b)**
- F30** Words in s. 271(7) repealed (with effect in accordance with s. 46(5)(b) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), s. 46(3)(b), **Sch. 11 Pt. 2(12)** (with s. 46(7))
- F31** Words in s. 271(7) repealed (with effect in accordance with s. 46(5)(a) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), s. 46(3)(c), **Sch. 11 Pt. 2(12)** (with s. 46(7))
- F32** Words in s. 271(7) repealed: (with effect in accordance with s. 46(5)(b) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), s. 46(3)(d), **Sch. 11 Pt. 2(12)** (with s. 46(7)); (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3 (with Sch. 36)
- F33** S. 271(9) repealed (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by Finance Act 1997 (c. 16), Sch. 10 para. 5(2), **Sch. 18 Pt. VI(10)**; S.I. 1997/991, art. 2
- F34** Words in s. 271(10) substituted (6.4.2006) by Finance Act 2004 (c. 12), **ss. 187(6)(a), 284(1)** (with Sch. 36)
- F35** Words in s. 271(10) repealed (6.4.2006) by Finance Act 2004 (c. 12), **ss. 187(6)(b), 284(1), Sch. 42 Pt. 3** (with Sch. 36)
- F36** S. 271(12) inserted (with effect in accordance with s. 76(1) of the amending Act) by Finance Act 2001 (c. 9), s. 76(2), **Sch. 25 para. 4** (with Sch. 3)
- F37** Words in s. 271(12) substituted (6.4.2006) by Finance Act 2004 (c. 12), **ss. 187(7), 284(1)** (with Sch. 36)

Modifications etc. (not altering text)

- C5** S. 271 extended (12.1.2000) by Greater London Authority Act 1999 (c. 29), **s. 419(1)(2)(b), 425(2)**; S.I. 1999/3434, art. 2

Marginal Citations

- M5** 1927 c. 41.

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M6 1947 c. 30.

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