

Status: Point in time view as at 31/07/1998.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Meaning of “qualifying losse”s 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)

SCHEDULES

[^{F1}SCHEDULE 7AA

RESTRICTIONS ON SETTING LOSSES AGAINST PRE-ENTRY GAINS

Textual Amendments

- F1** Sch. 7AA inserted (with effect in accordance with s. 137(5) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), s. 137(2), [Sch. 24](#)

Meaning of “qualifying losse”s

- 4 (1) Any amount which, in the case of the relevant company, would fall within section 8(1)(b) for the gain period is a qualifying loss in relation to any pre-entry gain accruing to the relevant company in that period.
- (2) Any allowable loss accruing to the relevant company in the gain period is a qualifying loss in relation to a pre-entry gain accruing to that company in that period if—
- (a) the time when the loss accrued is the same as or before the time when the gain accrued; or
 - (b) the loss having accrued after the time when the gain accrued, there is no time falling within sub-paragraph (3) below between—
 - (i) the time when the gain accrued; and
 - (ii) the time immediately after the time when the loss accrued.
- (3) A time falls within this sub-paragraph, in relation to any allowable loss, if—
- (a) it is a time at which the relevant company joined a group of companies; and
 - (b) the relevant asset was not in relevant ownership immediately before that time.
- (4) For the purposes of sub-paragraph (3) above the relevant asset was in relevant ownership at the time immediately before the relevant company joined a group of companies if, and only if, it was at that time held by the relevant company or by another company which—
- (a) joined that group of companies (“the new group”) at the same time as the relevant company; and
 - (b) had been a member of the same group of companies as the relevant company immediately before joining the new group.
- (5) In this paragraph “relevant asset”, in relation to an allowable loss, means the asset on the disposal of which that loss accrued.]

Status:

Point in time view as at 31/07/1998.

Changes to legislation:

Taxation of Chargeable Gains Act 1992, Cross Heading: Meaning of “qualifying losses” 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.