

## SCHEDULES

### SCHEDULE 29

#### GAINS AND LOSSES OF A COMPANY FROM INTANGIBLE FIXED ASSETS

##### PART 7

##### ROLL-OVER RELIEF IN CASE OF REALISATION AND REINVESTMENT

*How the relief is given: general*

- 41 (1) A company that is entitled to, and claims, relief under this Part is treated for the purposes of this Schedule as if—
- (a) the proceeds of realisation of the old asset, and
  - (b) the cost recognised for tax purposes of acquiring the other assets,
- were each reduced by the amount available for relief.
- (2) If the amount of qualifying expenditure on other assets is equal to or greater than the proceeds of realisation of the old asset, the amount available for relief is the amount by which the proceeds of realisation exceed the cost of the old asset.
- (3) If the amount of qualifying expenditure on other assets is less than the proceeds of realisation of the old asset, the amount available for relief is the amount (if any) by which the qualifying expenditure on other assets exceeds the cost of the old asset.
- (4) In this paragraph—
- (a) “qualifying expenditure” means expenditure in relation to which the conditions in paragraph 39 are met;
  - (b) “the cost of the old asset” means the total of the capitalised expenditure on the asset recognised for tax purposes;
  - (c) the references to the cost of the old asset shall be read—
    - (i) in the case of a part realisation, as references to the appropriate proportion of the cost, and
    - (ii) in the case of the realisation of an asset that has been the subject of a part realisation, as references to the adjusted cost.
- For the calculation of the appropriate proportion and the adjusted cost, see paragraph 42.
- (5) The relief does not affect the treatment for any purpose of the Taxes Acts of any other party to any transaction involved in the realisation of the old asset or the expenditure on the other assets.