

*Status: Point in time view as at 19/07/2011.*

*Changes to legislation: Finance Act 2011, Paragraph 4 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

### SCHEDULE 10

#### COMPANY CEASING TO BE MEMBER OF GROUP

##### *Degrouping*

4 After section 179 of TCGA 1992 insert—

##### **“179ZA Claim for adjustment of calculations under section 179**

- (1) This section applies where—
  - (a) a gain accrues to a company (“company A”) on a sale referred to in subsection (3) or (6) of section 179, or
  - (b) a gain would so accrue but for subsection (3A) or (7A) of that section.
- (2) If subsection (3D) or (3E) of that section applies in relation to one or more group disposals (within the meaning of that section)—
  - (a) the company making the disposal, or
  - (b) if there is more than one disposal, the companies making those disposals acting jointly,may make a claim for the amount of the gain to be treated for the purposes of the subsection in question as reduced by an amount specified in the claim.
- (3) In any other case, company A may make a claim for the amount of the gain to be treated for all purposes of this Act as reduced by an amount specified in the claim.
- (4) Where a claim is made under subsection (2) or (3), the gain must be treated, for the purposes mentioned in the subsection in question, as reduced by such amount (if any) as is just and reasonable.
- (5) In determining the amount which is just and reasonable regard must be had, in particular, to any transaction as a direct or indirect result of which company A or any associated company (within the meaning of section 179(10)) acquired the asset to which the gain relates.
- (6) Where under this section the gain accruing to company A on a sale referred to in subsection (3) or (6) of section 179 is treated as reduced by an amount (“the permitted deduction”), the subsection in question has effect, so far as it provides for the immediate reacquisition of the asset by company A, as if the reference to market value of the asset were to its market value less the permitted deduction.”

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