



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART VIII

TAXATION OF INCOME AND CHARGEABLE GAINS OF COMPANIES

Chargeable gains

345 Computation of chargeable gains.

- (1) ^{M1}Subject to the provisions of this section and sections 400 and 435, the amount to be included in respect of chargeable gains in a company's total profits for any accounting period shall be the total amount of chargeable gains accruing to the company in the accounting period after deducting any allowable losses accruing to the company in the period and, so far as they have not been allowed as a deduction from chargeable gains accruing in any previous accounting period, any allowable losses previously accruing to the company while it has been within the charge to corporation tax.
- (2) ^{M2}Except as otherwise provided by the Corporation Tax Acts, the total amount of the chargeable gains to be included in respect of chargeable gains in a company's total profits for any accounting period shall for purposes of corporation tax be computed in accordance with the principles applying for capital gains tax, all questions—
 - (a) as to the amounts which are or are not to be taken into account as chargeable gains or as allowable losses, or in computing gains or losses, or charged to tax as a person's gain; or
 - (b) as to the time when any such amount is to be treated as accruing,
being determined in accordance with the provisions relating to capital gains tax as if accounting periods were years of assessment.
- (3) ^{M3}Subject to subsection (4) below, where the enactments relating to capital gains tax contain any reference to income tax or to the Income Tax Acts the reference shall, in relation to a company, be construed as a reference to corporation tax or to the Corporation Tax Acts; but—

Status: Point in time view as at 01/02/1991. This version of this provision has been superseded.

Changes to legislation: *Income and Corporation Taxes Act 1988, Section 345 is up to date with all changes known to be in force on or before 13 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)*

- (a) this subsection shall not affect the references to income tax in section 33(2) of the 1979 Act (exclusion of expenditure by reference to hypothetical income tax); and
- (b) in so far as those enactments operate by reference to matters of any specified description, account shall for corporation tax be taken of matters of that description which are confined to companies, but not of any which are confined to individuals.
- (4) ^{M4}The 1979 Act as extended by this section shall not be affected in its operation by the fact that capital gains tax and corporation tax are distinct taxes but, so far as is consistent with the Corporation Tax Acts, shall apply in relation to capital gains tax and corporation tax on chargeable gains as if they were one tax, so that, in particular, a matter which in a case involving two individuals is relevant for both of them in relation to capital gains tax shall in a like case involving an individual and a company be relevant for him in relation to that tax and for it in relation to corporation tax.
- (5) ^{M5}Where assets of a company are vested in a liquidator under section 145 of the ^{M6}Insolvency Act 1986 or Article 498 of the ^{M7}Companies (Northern Ireland) Order 1986 or otherwise, this section and the enactments applied by this section shall apply as if the assets were vested in, and the acts of the liquidator in relation to the assets were the acts of, the company (acquisitions from or disposals to him by the company being disregarded accordingly).

Modifications etc. (not altering text)

- C1** S. 345 modified (6.1.1992) by [British Technology Group Act 1991 \(c. 66, SIF 64\), s. 12\(2\)](#); [S.I. 1991/2721, art.2](#)
- C2** See [Insolvency \(Northern Ireland\) Order 1989 Art.381\(2\)and Sch.9 para.60 \(S.I.1989 No.2405—not reproduced\)for change from a day to be appointed.](#)

Marginal Citations

- M1** Source-1970 s.265(1)
- M2** Source-1970 s.265(2)
- M3** Source-1970 s.265(3)(a), (C); 1979(C) Sch.7
- M4** Source-1970 s.265(4); 1979(C) Sch.7
- M5** Source-1970 s.265(5)
- M6** [1986 c. 45.](#)
- M7** [S.I. 1986/1032 \(N.I. 6\)](#)

Status:

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Changes to legislation:

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