



Taxation of Chargeable Gains Act 1992

CHAPTER 12

TAXATION OF CHARGEABLE GAINS ACT 1992

PART I

CAPITAL GAINS TAX AND CORPORATION TAX ON CHARGEABLE GAINS

General

- 1 The charge to tax.

Capital gains tax

- 2 Persons and gains chargeable to capital gains tax, and allowable losses.
- 2A Taper relief.
- 3 Annual exempt amount.
- 3A Reporting limits
- 4 Rates of capital gains tax.
- 5 Accumulation and discretionary settlements.
- 6 Other special cases.
- 7 Time for payment of tax.

Corporation tax

- 8 Company's total profits to include chargeable gains.

Residence etc.

- 9 Residence, including temporary residence.
- 10 Non-resident with United Kingdom branch or agency.
- 10A Temporary non-residents.
- 10B Non-resident company with United Kingdom permanent establishment
- 11 Visiting forces, agents-general etc.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 12 Foreign assets of person with foreign domicile.
- 13 Attribution of gains to members of non-resident companies.
- 14 Non-resident groups of companies.

PART II

GENERAL PROVISIONS RELATING TO COMPUTATION OF GAINS AND ACQUISITIONS AND DISPOSALS OF ASSETS

CHAPTER I

INTRODUCTORY

- 15 Computation of gains.
- 16 Computation of losses.
- 17 Disposals and acquisitions treated as made at market value.
- 18 Transactions between connected persons.
- 19 Deemed consideration in certain cases where assets disposed of in a series of transactions.
- 20 Original market value and aggregate market value for purposes of section 19.

CHAPTER II

ASSETS AND DISPOSALS OF ASSETS

General provisions

- 21 Assets and disposals.
- 22 Disposal where capital sums derived from assets.
- 23 Receipt of compensation and insurance money not treated as a disposal.
- 24 Disposals where assets lost or destroyed, or become of negligible value.
- 25 Non-residents: deemed disposals.
- 26 Mortgages and charges not to be treated as disposals.
- 27 Disposals in cases of hire-purchase and similar transactions.
- 28 Time of disposal and acquisition where asset disposed of under contract.

Value shifting

- 29 General provisions.
- 30 Tax-free benefits.
- 31 Distributions within a group followed by a disposal of shares.
- 31A Asset-holding company leaving the group.
- 32 Disposals within a group followed by a disposal of shares.
- 33 Provisions supplementary to sections 30 to 32.
- 33A Modification of sections 30 to 33 in relation to chargeable intangible asset
- 34 Transactions treated as a reorganisation of share capital.

CHAPTER III

COMPUTATION OF GAINS: GENERAL PROVISIONS

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Re-basing to 1982, and assets held on 6th April 1965

- 35 Assets held on 31st March 1982 (including assets held on 6th April 1965).
- 36 Deferred charges on gains before 31st March 1982.

Allowable deductions

- 37 Consideration chargeable to tax on income.
- 38 Acquisition and disposal costs etc.
- 39 Exclusion of expenditure by reference to tax on income.
- 40 Interest charged to capital.
- 41 Restriction of losses by reference to capital allowances and renewals allowances.
- 42 Part disposals.
- 43 Assets derived from other assets.

Wasting assets

- 44 Meaning of "wasting asset".
- 45 Exemption for certain wasting assets.
- 46 Straightline restriction of allowable expenditure.
- 47 Wasting assets qualifying for capital allowances.

Miscellaneous provisions

- 48 Consideration due after time of disposal.
- 49 Contingent liabilities.
- 50 Expenditure reimbursed out of public money.
- 51 Exemption for winnings and damages etc.
- 52 Supplemental.

CHAPTER IV

COMPUTATION OF GAINS: THE INDEXATION ALLOWANCE

General

- 53 The indexation allowance and interpretative provisions.
- 54 Calculation of indexation allowance.
- 55 Assets owned on 31st March 1982 or acquired on a no gain/no loss disposal.
- 56 Part disposals and disposals on a no-gain/no-loss basis.
- 57 Receipts etc. which are not treated as disposals but affect relevant allowable expenditure.

PART III

INDIVIDUALS, PARTNERSHIPS, TRUSTS AND COLLECTIVE INVESTMENT SCHEMES

CHAPTER I

MISCELLANEOUS PROVISIONS

- 58 Husband and wife.
- 59 Partnerships.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 59A Limited liability partnerships.
- 60 Nominees and bare trustees.
- 61 Funds in court.
- 62 Death: general provisions.
- 63 Death: application of law in Scotland.
- 64 Expenses in administration of estates and trusts.
- 65 Liability for tax of trustees or personal representatives.
- 66 Insolvents' assets.
- 67 Provisions applicable where section 79 of the Finance Act 1980 has applied.

CHAPTER II

SETTLEMENTS

General provisions

- 68 Meaning of "settled property".
- 69 Trustees of settlements.
- 70 Transfers into settlement.
- 71 Person becoming absolutely entitled to settled property.
- 72 Termination of life interest on death of person entitled.
- 73 Death of life tenant: exclusion of chargeable gain.
- 74 Effect on sections 72 and 73 of relief under section 165 or 260.
- 75 Death of annuitant.
- 76 Disposal of interests in settled property.
- 76A Disposal of interest in settled property: deemed disposal of underlying assets.
- 76B Transfers of value by trustees linked with trustee borrowing.
- 77 Charge on settlor with interest in settlement.
- 78 Right of recovery.
- 79 Provisions supplemental to sections 77 and 78.
- 79A Restriction on set-off of trust losses.
- 79B Attribution to trustees of gains of non-resident companies.

Migration of settlements, non-resident settlements and dual resident settlements

- 80 Trustees ceasing to be resident in U.K.
- 81 Death of trustee: special rules.
- 82 Past trustees: liability for tax.
- 83 Trustees ceasing to be liable to U.K. tax.
- 83A Trustees both resident and non-resident in a year of assessment
- 84 Acquisition by dual resident trustees.
- 85 Disposal of interests in non-resident settlements.
- 85A Transfers of value: attribution of gains to beneficiaries and treatment of losses
- 86 Attribution of gains to settlors with interest in non-resident or dual resident settlements.
- 86A Attribution of gains to settlor in section 10A cases.
- 87 Attribution of gains to beneficiaries.
- 88 Gains of dual resident settlements.
- 89 Migrant settlements etc.
- 90 Transfers between settlements.
- 91 Increase in tax payable under section 87 or 89(2).

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 92 Qualifying amounts and matching.
- 93 Matching: special cases.
- 94 Transfers of settled property where qualifying amounts not wholly matched.
- 95 Matching after transfer.
- 96 Payments by and to companies.
- 97 Supplementary provisions.
- 98 Power to obtain information for purposes of sections 87 to 90.
- 98A Settlements with foreign element: information.

CHAPTER III

COLLECTIVE INVESTMENT SCHEMES AND INVESTMENT TRUSTS

- 99 Application of Act to unit trust schemes.
- 99A Authorised unit trusts: treatment of umbrella schemes
- 99B Calculation of the disposal cost of accumulation units
- 100 Exemption for authorised unit trusts etc.
- 101 Transfer of company's assets to investment trust.
- 101A Transfer within group to investment trust.
- 101B Transfer of company's assets to venture capital trust.
- 101C Transfer within group to venture capital trust.
- 102 Collective investment schemes with property divided into separate parts.
- 103 Restriction on availability of indexation allowance.

PART IV

SHARES, SECURITIES, OPTIONS ETC.

CHAPTER I

GENERAL

Share pooling, identification of securities, and indexation

- 104 Share pooling: general interpretative provisions.
- 105 Disposal on or before day of acquisition of shares and other unidentified assets.
- 105A Shares acquired on same day: election for alternative treatment
- 105B Provision supplementary to section 105A
- 106 Disposal of shares and securities by company within prescribed period of acquisition.
- 106A Identification of securities: general rules for capital gains tax.
- 107 Identification of securities etc: general rules.
- 108 Identification of relevant securities.
- 109 Pre-April 1982 share pools.
- 110 New holdings: indexation allowance.
- 110A Indexation for section 104 holdings: capital gains tax.
- 111 Indexation: building society etc. shares.
- 112 Parallel pooling regulations.
- 113 Calls on shares.
- 114 Consideration for options.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Gilt-edged securities and qualifying corporate bonds

- 115 Exemptions for gilt-edged securities and qualifying corporate bonds etc.
- 116 Reorganisations, conversions and reconstructions.
- 117 Meaning of "qualifying corporate bond".
- 117A Assets that are not qualifying corporate bonds for corporation tax purposes.
- 117B Holdings in unit trusts and offshore funds excluded from treatment as qualifying corporate bonds.

Deep discount securities, the accrued income scheme etc.

- 118 Amount to be treated as consideration on disposal of deep discount securities etc.
- 119 Transfers of securities subject to the accrued income scheme.
- 119A Increase in expenditure by reference to tax charged in relation to employment-related securities
- 120 Increase in expenditure by reference to tax charged in relation to shares etc.

Savings certificates etc.

- 121 Exemption for government non-marketable securities.

Capital distribution in respect of shares etc.

- 122 Distribution which is not a new holding within Chapter II.
- 123 Disposal of right to acquire shares or debentures.

Close companies

- 124 Disposal of shares: relief in respect of income tax consequent on shortfall in distributions.
- 125 Shares in close company transferring assets at an undervalue.

CHAPTER II

REORGANISATION OF SHARE CAPITAL, CONVERSION OF SECURITIES ETC.

Reorganisation or reduction of share capital

- 126 Application of sections 127 to 131.
- 127 Equation of original shares and new holding.
- 128 Consideration given or received by holder.
- 129 Part disposal of new holding.
- 130 Composite new holdings.
- 131 Indexation allowance.

Conversion of securities

- 132 Equation of converted securities and new holding.
- 133 Premiums on conversion of securities.
- 134 Compensation stock.

Company reconstructions ...

- 135 Exchange of securities for those in another company

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 136 Scheme of reconstruction involving issue of securities
- 137 Restriction on application of sections 135 and 136.
- 138 Procedure for clearance in advance.
- 138A Use of earn-out rights for exchange of securities.
- 139 Reconstruction ... involving transfer of business.
- 140 Postponement of charge on transfer of assets to non-resident company.

Transfers concerning companies of different member States

- 140A Transfer of a UK trade.
- 140B Section 140A: anti-avoidance.
- 140C Transfer of a non-UK trade.
- 140D Section 140C: anti-avoidance.

Formation of SE by merger

- 140E Merger leaving assets within UK tax charge
- 140F Merger not leaving assets within UK tax charge
- 140G Treatment of securities issued on merger

CHAPTER III

MISCELLANEOUS PROVISIONS RELATING TO COMMODITIES, FUTURES, OPTIONS AND OTHER SECURITIES

- 142 Capital gains on stock dividends.
- 143 Commodity and financial futures and qualifying options.
- 144 Options and forfeited deposits.
- 144ZA Application of market value rule in case of exercise of option
- 144ZB Exception to rule in section 144ZA
- 144ZC Section 144ZB: non-commercial exercise of option
- 144ZD Section 144ZB: alteration of value to obtain tax advantage
- 144A Cash-settled options.
- 145 Call options: indexation allowance.
- 146 Options: application of rules as to wasting assets.
- 147 Quoted options treated as part of new holdings.
- 148 Traded options: closing purchases.
- 148A Futures and options involving guaranteed returns
- 148B Deemed disposals at a gain under section 564(4) of ITTOIA 2005
- 148C Deemed disposals at a loss under section 564(4) of ITTOIA 2005
- 149 Rights to acquire qualifying shares.
- 149A Employment-related securities options
- 149AA Restricted and convertible employment-related securities
- 149AB Shares in research institution spin-out companies
- 149B Employee incentive schemes: conditional interests in shares.
- 149C Priority share allocations
- 150 Business expansion schemes.
- 150A Enterprise investment scheme.
- 150B Enterprise investment scheme: reduction of relief.
- 150C Enterprise investment scheme: re-investment.
- 150D Enterprise investment scheme: application of taper relief
- 151 Personal equity plans.
- 151A Venture capital trusts: reliefs.
- 151B Venture capital trusts: supplementary.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 151C Strips: manipulation of price: associated payment giving rise to loss
- 151D Corporate strips: manipulation of price: associated payment giving rise to loss

PART V

TRANSFER OF BUSINESS ASSETS

CHAPTER I

GENERAL PROVISIONS

Replacement of business assets

- 152 Roll-over relief.
- 153 Assets only partly replaced.
- 153A Provisional application of sections 152 and 153.
- 154 New assets which are depreciating assets.
- 155 Relevant classes of assets.
- 156 Assets of Class 1.
- 156A Cessation of trade by limited liability partnership.
- 157 Trade carried on by family company: business assets dealt with by individual.
- 158 Activities other than trades, and interpretation.
- 159 Non-residents: roll-over relief.
- 160 Dual resident companies: roll-over relief.

Stock in trade

- 161 Appropriations to and from stock.

Transfer of business to a company

- 162 Roll-over relief on transfer of business.
- 162A Election for section 162 not to apply

Retirement relief

- 163 Relief for disposals by individuals on retirement from family business.
- 164 Other retirement relief.

CHAPTER IA

ROLL-OVER RELIEF ON RE-INVESTMENT

- 164A Relief on re-investment for individuals.
- 164B Roll-over relief on re-investment by trustees.
- 164BA Interaction with retirement relief
- 164C Restriction applying to retirement relief and roll-over relief on re-investment.
- 164D Relief carried forward into replacement shares.
- 164E Application of Chapter in cases of an exchange of shares.
- 164F Failure of conditions of relief.
- 164FA Loss of relief in cases where shares acquired on being issued.
- 164FF Qualifying investment acquired from husband or wife.
- 164FG Multiple claims.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 164G Meaning of “qualifying company”.
- 164H Property companies etc. not to be qualifying companies.
- 164I Qualifying trades.
- 164J Provisions supplementary to section 164I.
- 164K Foreign residents.
- 164L Anti-avoidance provisions.
- 164M Exclusion of double relief.
- 164MA Exclusion of double relief
- 164N Interpretation of Chapter IA.

CHAPTER II

GIFTS OF BUSINESS ASSETS

- 165 Relief for gifts of business assets.
- 166 Gifts to non-residents.
- 167 Gifts to foreign-controlled companies.
- 168 Emigration of donee.
- 169 Gifts into dual resident trusts.
- 169A Cessation of trade by limited liability partnership
- 169B Gifts to settlor-interested settlements etc
- 169C Clawback of relief if settlement becomes settlor-interested etc
- 169D Exceptions to sections 169B and 169C
- 169E Meaning of “settlor” in sections 169B to 169D and 169G
- 169F Meaning of “interest in a settlement” in sections 169B to 169D
- 169G Meaning of “arrangement” in sections 169B to 169E and information power

PART VI

COMPANIES, OIL, INSURANCE ETC.

CHAPTER I

COMPANIES

Groups of companies

- 170 Interpretation of sections 171 to 181.

Transactions within groups

- 171 Transfers within a group: general provisions.
- 171A Notional transfers within a group.
- 172 Transfer of United Kingdom branch or agency.
- 173 Transfers within a group: trading stock.
- 174 Disposal or acquisition outside a group.
- 175 Replacement of business assets by members of a group.

Losses attributable to depreciatory transactions

- 176 Depreciatory transactions within a group.
- 177 Dividend stripping.
- 177A Restriction on set-off of pre-entry losses.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Pre-entry gains

- 177B Restrictions on setting losses against pre-entry gains.

Companies leaving groups

- 178 Company ceasing to be member of group: pre-appointed day cases.
179 Company ceasing to be member of group: post-appointed day cases.
179A Reallocation within group of gain or loss accruing under section 179
179B Roll-over of degrouping charge on business assets
180 Transitional provisions.
181 Exemption from charge under 178 or 179 in the case of certain mergers.

Restriction on indexation allowance for groups and associated companies

- 182 Disposals of debts.
183 Disposals of shares.
184 Definitions and other provisions supplemental to sections 182 and 183.

Non-resident and dual resident companies

- 185 Deemed disposal of assets on company ceasing to be resident in U.K.
186 Deemed disposal of assets on company ceasing to be liable to U.K. taxation.
187 Postponement of charge on deemed disposal under section 185 or 186.
188 Dual resident companies: deemed disposal of certain assets.

Recovery of tax otherwise than from tax-payer company

- 189 Capital distribution of chargeable gains: recovery of tax from shareholder.
190 Tax recoverable from another group company or controlling director.

Demergers

- 192 Tax exempt distributions.

Disposals by companies with substantial shareholding

- 192A Exemptions for gains or losses on disposal of shares etc

CHAPTER II

OIL AND MINING INDUSTRIES

Oil exploration and exploitation

- 193 Roll-over relief not available for gains on oil licences.
194 Disposals of oil licences relating to undeveloped areas.
195 Allowance of certain drilling expenditure etc.
196 Interpretation of sections 194 and 195.
197 Disposals of interests in oil fields etc: ring fence provisions.
198 Replacement of business assets used in connection with oil fields.
199 Exploration or exploitation assets: deemed disposals
200 Limitation of losses on disposal of oil industry assets held on 31st March 1982.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Mineral leases

- 201 Royalties.
- 202 Capital losses.
- 203 Provisions supplementary to sections 201 and 202.

CHAPTER III

INSURANCE

- 204 Policies of insurance.
- 205 Disallowance of insurance premiums as expenses.
- 206 Underwriters.
- 207 Disposal of assets in premiums trust fund
- 208 Premiums trust funds: indexation.
- 209 Interpretation, regulations about underwriters
- 210 Life assurance and deferred annuities.
- 210A Ring-fencing of losses
- 210B Disposal and acquisition of section 440A securities
- 211 Transfers of business.
- 211ZA Transfers of business: transfer of unused losses
- 211A Gains of insurance company from venture capital investment partnership
- 212 Annual deemed disposal of holdings of unit trusts etc.
- 213 Spreading of gains and losses under section 212.
- 214 Transitional provisions.
- 214A Further transitional provisions.
- 214B Modification of Act in relation to overseas life insurance companies.
- 214BA Interpretation

CHAPTER IV

MISCELLANEOUS CASES

Re-organisations of mutual businesses

- 214C Gains not eligible for taper relief.

Building societies etc.

- 215 Disposal of assets on amalgamation of building societies etc.
- 216 Assets transferred from society to company.
- 217 Shares, and rights to shares, in successor company.

Friendly societies

- 217A Transfer of assets on incorporation of registered friendly society.
- 217B Rights of members in registered society equated with rights in incorporated society.
- 217C Subsequent disposal of assets by incorporated society etc.

The Housing Corporation, the Secretary of State and housing associations

- 218 Disposals of land between the Housing Corporation, the Secretary of State or Scottish Homes and housing associations.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 219 Disposals by Housing Corporation, the Secretary of State, Scottish Homes and certain housing associations.
- 220 Disposals by Northern Ireland housing associations.

Other bodies

- 221 Harbour authorities.

PART VII

OTHER PROPERTY, BUSINESSES, INVESTMENTS ETC.

Private residences

- 222 Relief on disposal of private residence.
- 223 Amount of relief.
- 224 Amount of relief: further provisions.
- 225 Private residence occupied under terms of settlement.
- 225A Private residence held by personal representatives
- 226 Private residence occupied by dependent relative before 6th April 1988.
- 226A Private residence relief: cases where relief obtained under section 260
- 226B Exception to section 226A

Employee share ownership trusts

- 227 Conditions for roll-over relief.
- 228 Conditions for relief: supplementary.
- 229 The relief.
- 230 Dwelling-houses: special provision.
- 231 Shares: special provision.
- 232 Chargeable event when replacement assets owned.
- 233 Chargeable event when replacement property owned.
- 234 Chargeable events when bonds owned.
- 235 Information.
- 236 Prevention of double charge.

Share incentive plans

- 236A Relief for transfers to share incentive plans

Superannuation funds, profit sharing schemes, employee trusts etc.

- 237 Superannuation funds, annuities and annual payments.
- 237A Share option schemes: release and replacement of options.
- 238 Approved profit sharing and share option schemes.
- 238A Approved share schemes and share incentives
- 239 Employee trusts.

Retirement benefits schemes

- 239A Cessation of approval of certain schemes.

Personal pension schemes

- 239B Withdrawal of approval of approved arrangements.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Leases

- 240 Leases of land and other assets.
- 241 Furnished holiday lettings.

Part disposals

- 242 Small part disposals.
- 243 Part disposal to authority with compulsory powers.
- 244 Part disposal: consideration exceeding allowable expenditure.

Compulsory acquisition

- 245 Compensation paid on compulsory acquisition.
- 246 Time of disposal and acquisition.
- 247 Roll-over relief on compulsory acquisition.
- 247A Provisional application of section 247.
- 248 Provisions supplementary to section 247.

Agricultural land and woodlands

- 249 Grants for giving up agricultural land.
- 250 Woodlands.

Debts

- 251 General provisions.
- 252 Foreign currency bank accounts.
- 253 Relief for loans to traders.
- 254 Relief for debts on qualifying corporate bonds.
- 255 Provisions supplementary to section 254.

Charities and gifts of non-business assets etc.

- 256 Charities.
- 257 Gifts to charities etc.
- 258 Works of art etc.
- 259 Gifts to housing associations.
- 260 Gifts on which inheritance tax is chargeable etc.
- 261 Section 260 relief: gifts to non-residents.

Know-how

- 261A Disposal of know-how as part of disposal of all or part of a trade

Miscellaneous reliefs and exemptions

- 262 Chattel exemption.
- 263 Passenger vehicles.
- 263ZA Former employees: employment-related liabilities
- 263A Agreements for sale and repurchase of securities.
- 263B Stock lending arrangements.
- 263C Stock lending involving redemption.
- 263D Gains accruing to persons paying manufactured dividends
- 264 Relief for local constituency associations of political parties on reorganisation of constituencies.
- 265 Designated international organisations.

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 266 Inter-American Development Bank.
- 267 Sharing of transmission facilities.
- 268 Decorations for valour or gallant conduct.
- 269 Foreign currency for personal expenditure.
- 270 Chevening Estate.
- 271 Other miscellaneous exemptions.

PART VIII

SUPPLEMENTAL

- 272 Valuation: general.
- 273 Unquoted shares and securities.
- 274 Value determined for inheritance tax.
- 275 Location of assets.
- 275A Location of certain intangible assets
- 275B Section 275A: supplementary provisions
- 275C Location of assets: interests of co-owners
- 276 The territorial sea and the continental shelf.
- 277 Double taxation relief.
- 278 Allowance for foreign tax.
- 279 Foreign assets: delayed remittances.
- 279A Deferred unascertainable consideration: election for treatment of loss
- 279B Provisions supplementary to section 279A
- 279C Effect of election under section 279A
- 279D Elections under section 279A
- 280 Consideration payable by instalments.
- 281 Payment by instalments of tax on gifts.
- 282 Recovery of tax from donee.
- 283 Repayment supplements.
- 284 Income tax decisions.
- 284A Concessions that defer a charge.
- 284B Provisions supplementary to section 284A.
- 285 Recognised investment exchanges.
- 286 Connected persons: interpretation.
- 287 Orders and regulations made by the Treasury or the Board.
- 288 Interpretation.
- 289 Commencement.
- 290 Savings, transitionals, consequential amendments and repeals.
- 291 Short title.

SCHEDULES

SCHEDULE A1 — Application of taper relief

Introductory

- 1 (1) Section 2A shall be construed subject to and in...

Period for which an asset is held and relevant period of ownership

- 2 (1) In relation to any gain on the disposal of...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Rules for determining whether a gain is a gain on the disposal of a business asset or non-business asset

- 3 (1) Subject to the following provisions of this Schedule, a...

Conditions for shares to qualify as business assets

- 4 (1) This paragraph applies, in the case of the disposal...

Conditions for other assets to qualify as business assets

- 5 (1) This paragraph applies, in the case of the disposal...

Companies which are qualifying companies

- 6 (1) A company shall be taken to have been a...

Meaning of “material interest”

- 6A (1) For the purposes of paragraph 6 above, a material...

Persons who are eligible beneficiaries

- 7 (1) An eligible beneficiary, in relation to an asset comprised...

Cases where there are non-qualifying beneficiaries

- 8 (1) This paragraph applies in the case of a disposal...

Cases where an asset is used at the same time for different purposes

- 9 (1) This paragraph applies in the case of a disposal...

Periods of limited exposure to fluctuations in value not to count

- 10 (1) Where, in the case of any asset disposed of...

Periods of share ownership not to count where there is a change of activity by the company

- 11 (1) This paragraph applies where— (a) there is a disposal...

Periods of share ownership not to count if company is not active

- 11A (1) Where there is a disposal of an asset consisting...

Periods of share ownership not to count in a case of value shifting

- 12 (1) This paragraph applies (subject to sub-paragraph (4) below) where
—...

Rules for options

- 13 (1) This paragraph applies where by virtue of section 144—...

Further rules for assets derived from other assets

- 14 (1) This paragraph applies if, in a case where—

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Special rules for assets transferred between spouses

- 15 (1) This paragraph applies where a person (“the transferring spouse”)...

Special rules for postponed gains

- 16 (1) Sub-paragraph (3) below applies where the whole or any...

Special rule for property settled by a company

- 17 (1) No part of any chargeable gain accruing to the...

Special rules for assets acquired in the reconstruction of mutual businesses etc.

- 18 (1) Where— (a) shares in a company have been issued...

Special rule for ancillary trust funds

- 19 (1) Use of an asset as part of an ancillary...

General rules for settlements

- 20 (1) Where, in the case of any settlement, the settled...

General rule for apportionments under this Schedule

- 21 Where any apportionment falls to be made for the purposes...

Interpretation of Schedule

- 22 (1) In this Schedule— “51 per cent. subsidiary” ... has...

Meaning of “trading company”

- 22A (1) In this Schedule “trading company” means a company carrying...

Meaning of “trading group”

- 22B (1) In this Schedule “trading group” means a group of...

Qualifying shareholdings in joint venture companies

- 23 (1) This Schedule has effect subject to the following provisions...

Joint enterprise companies: relevant connection

- 24 (1) This Schedule has effect subject to sub-paragraph (5) below...

SCHEDULE 1 — Application of exempt amount and reporting limits in cases involving settled property

- 1 (1) For any year of assessment during the whole or...
2 (1) For any year of assessment during the whole or...

SCHEDULE 2 — Assets held on 6th April 1965

Part I — QUOTED SECURITIES

Deemed acquisition at 6th April 1965 value

- 1 (1) This paragraph applies— (a) to shares and securities which...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Restriction of gain or loss by reference to actual cost

- 2 (1) Subject to paragraph 4 below and section 109(4), paragraph...
3 (1) Where— (a) a disposal was made out of quoted...

Election for pooling

- 4 (1) This paragraph applies in relation to quoted securities as...

Election by principal company of group

- 5 (1) In the case of companies which at the relevant...

Pooling at value on 6th April 1965: exchange of securities etc.

- 6 (1) Where a person who has made only one of...

Underwriters

- 7 No election under paragraph 4 above shall cover quoted securities...

Interpretation of paragraphs 3 to 7

- 8 (1) In paragraphs 3 to 7 above— “quoted securities” means...
Part II — LAND REFLECTING DEVELOPMENT VALUE
9 (1) Subject to paragraph 17(2) of Schedule 11, this Part...
10 (1) For the purposes of this Part of this Schedule,...
11 (1) The current use value of an interest in land...
12 In computing any gain accruing to a person on a...
13 (1) In this Part of this Schedule, “material development”, in...
14 (1) For the purposes of this Part, material development shall...
15 In this Part of this Schedule, unless the context otherwise...
Part III — OTHER ASSETS

Apportionment by reference to straightline growth of gain or loss over period of ownership

- 16 (1) This paragraph applies subject to Parts I and II...

Election for valuation at 6th April 1965

- 17 (1) If the person making a disposal so elects, paragraph...

Unquoted shares, commodities etc.

- 18 (1) This paragraph has effect as respects shares held by...

Reorganisation of share capital, conversion of securities etc.

- 19 (1) For the purposes of this Act, it shall be...
Part IV — MISCELLANEOUS

Capital allowances

- 20 If under any provision in this Schedule it is to...

Assets transferred to close companies

- 21 (1) This paragraph has effect where— (a) at any time,...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Husbands and wives

- 22 Where section 58 is applied in relation to a disposal...

Compensation and insurance money

- 23 Where section 23(4)(a) applies to exclude a gain which, in...

SCHEDULE 3 — Assets held on 31st March 1982

Previous no gain/no loss disposals

- 1 (1) Where— (a) a person makes a disposal, not being...
2 (1) Sub-paragraph (2) below applies where a person makes a...

Capital allowances

- 3 If under section 35 it is to be assumed that...

Part disposals etc.

- 4 (1) Where, in relation to a disposal to which section...

Assets derived from other assets

- 5 Section 35 shall have effect with the necessary modifications in...

Apportionment of pre-1965 gains and losses

- 6 In a case where because of paragraph 16 of Schedule...

Elections under section section 35(5): excluded disposals

- 7 (1) An election under section 35(5) shall not cover disposals...

Elections under section 35(5): groups of companies

- 8 (1) A company may not make an election under section...
9 (1) In paragraph 8 above “the relevant time”, in relation...

SCHEDULE 4 — Deferred charges on gains before 31st March 1982

Reduction of deduction or gain

- 1 Where this Schedule applies— (a) in a case within paragraph...

Charges rolled-over or held-over

- 2 (1) Subject to sub-paragraphs (2) to (4) below, this Schedule...
3 (1) This paragraph applies where this Schedule would have applied...

Postponed charges

- 4 (1) Subject to sub-paragraphs (3) to (5) below, this Schedule...

Previous no gain/no loss disposals

- 5 Where— (a) a person makes a disposal of an asset...
6 (1) Sub-paragraph (2) below applies where— (a) a person makes...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

7 For the purposes of this Schedule a no gain/no loss...

Assets derived from other assets

8 The references in paragraphs 2(1)(c) and 4(1)(b) above to the...

Claims

9 (1) No relief shall be given under this Schedule unless...

SCHEDULE 4A — Disposal of interest in settled property: deemed disposal of underlying assets

Circumstances in which this Schedule applies

1 This Schedule applies where there is a disposal of an...

Meaning of “interest in settled property”

2 (1) For the purposes of this Schedule an “interest in...

Meaning of “for consideration”

3 (1) For the purposes of this Schedule a disposal is...

Deemed disposal of underlying assets

4 (1) Where this Schedule applies and the following conditions are...

Condition as to UK residence of trustees

5 (1) The condition as to UK residence of the trustees...

Condition as to UK residence of settlor

6 (1) The condition as to UK residence of the settlor...

Condition as to settlor interest in the settlement

7 (1) The condition as to settlor interest in the settlement...

The relevant underlying assets

8 (1) Where the interest disposed of is a right in...

Character of deemed disposal

9 (1) The deemed disposal shall be taken—

Avoidance of double-counting

10 (1) The provisions of this paragraph have effect to prevent...

Recovery of tax from person disposing of interest

11 (1) This paragraph applies where chargeable gains accrue to the...

Meaning of “settlor”

12 The provisions of section 79(1) and (3) to (5) (meaning...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Cases where there is a period between the beginning of the disposal and its effective completion

13 (1) This paragraph applies in a case where there is...

Exception: maintenance funds for historic buildings

14 If the trustees of a settlement have elected that section...

SCHEDULE 4B — Transfers of value by trustees linked with trustee borrowing

General scheme of this Schedule

1 (1) This Schedule applies where trustees of a settlement—

Transfers of value

2 (1) For the purposes of this Schedule trustees of a...

Settlements within section 77, 86 or 87

3 (1) This paragraph explains what is meant in this Schedule...

Trustee borrowing

4 (1) For the purposes of this Schedule trustees of a...

Transfer of value linked with trustee borrowing

5 (1) For the purposes of this Schedule a transfer of...

Application of proceeds of borrowing for normal trust purposes

6 (1) For the purposes of this Schedule the proceeds of...

Ordinary trust assets

7 (1) The following are “ordinary trust assets” for the purposes...

The alternative condition for assets no longer part of the settled property

8 (1) The alternative condition referred to in paragraph 6(2)(b) in...

Normal trust purposes: power to make provision by regulations

9 (1) The Treasury may make provision by regulations as to...

Deemed disposal of remaining chargeable assets

10 (1) Where in accordance with this Schedule a transfer of...

Whether deemed disposal is of whole or a proportion of the assets

11 (1) This paragraph provides for determining whether the deemed disposal...

Value attributable to trustee borrowing

12 (1) For the purposes of this Schedule the value of...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Assets and transfers

13 (1) In this Schedule any reference to an asset includes...

SCHEDULE 4C — Transfers of value: attribution of gains to beneficiaries

Introduction

1 (1) This Schedule applies where the trustees of a settlement...

Computation of Schedule 4B trust gains

3 (1) This paragraph explains what is meant for the purposes...

Chargeable amount: non-resident settlement

4 (1) If the transfer of value is made in a...

Chargeable amount: dual resident settlement

5 (1) If the transfer of value is made in a...

Gains attributed to settlor

6 (1) For the purposes of this Schedule the chargeable amount...

Reduction for allowable losses

7 (1) An allowable loss arising under Schedule 4B in relation...

Outstanding section 87/89 gains

7A (1) The amount of outstanding section 87/89 gains of a...

Gains to be brought into pool on subsequent transfer of value

7B (1) Where the trustees of a settlement who have made...

Attribution of Schedule 4C gains to beneficiaries

8 (1) The gains in a settlement's Schedule 4C pool at...

Relevant settlements

8A (1) This paragraph specifies what settlements are relevant settlements in...

Attribution of gains in Schedule 4C pool

8B (1) The following rules apply as regards the attribution of...

Attribution of gains: Schedule 4C pool gains and other gains

8C (1) Where in a year of assessment—

Attribution of gains: available capital payments

9 (1) In any year of assessment capital payments made to...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Residence of trustees from whom capital payment received

- 10 (1) Subject to sub-paragraph (2) below, it is immaterial for...

Taper relief

- 11 Without prejudice to so much of this Schedule as requires...

Attribution of gains to settlor in section 10A cases

- 12 (1) This paragraph applies where by virtue of section 10A...

Attribution of gains to beneficiaries in section 10A cases

- 12A (1) This paragraph applies where by virtue of section 10A...

Increase in tax payable under this Schedule

- 13 (1) This paragraph applies where— (a) a capital payment is...

Effect of settlement ceasing to exist after transfer of value

- 13A Where a settlement ceases to exist after the trustees have...

Interpretation

- 14 (1) In this Schedule— (a) “transfer of value” has the...

SCHEDULE 5 — Attribution of gains to settlors with interest in non-resident or dual resident settlement

Construction of section 86(1)(e)

- 1 (1) In construing section 86(1)(e) as regards a particular year...

Test whether settlor has interest

- 2 (1) For the purposes of section 86(1)(d) a settlor has...

Settlements created before 17th March 1998

- 2A (1) In determining for the purposes of section 86(1)(d) whether...

Exceptions from section 86

- 3 Section 86 does not apply if the settlor dies in...
4 (1) This paragraph applies where for the purposes of section...
5 (1) This paragraph applies where for the purposes of section...

Right of recovery

- 6 (1) This paragraph applies where any tax becomes chargeable on,...

Meaning of “settlor”

- 7 For the purposes of section 86 and this Schedule, a...

Meaning of “originating”

- 8 (1) References in section 86 and this Schedule to property...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Qualifying settlements, and commencement

- 9 (1) A settlement created on or after 19th March 1991...

Information

- 10 An inspector may by notice require any person who is...
11 (1) This paragraph applies if— (a) a settlement has been...
12 (1) This paragraph applies if a settlement is created on...
13 (1) This paragraph applies if— (a) the trustees of a...
14 (1) Nothing in paragraph 11, 12 or 13 above shall...

SCHEDULE 5A — Settlements with foreign element: information

- 1 In this Schedule “ the commencement day ” means the...
2 (1) This paragraph applies if— (a) a settlement was created...
3 (1) This paragraph applies if a settlement is created on...
4 (1) This paragraph applies if a settlement is created on...
5 (1) This paragraph applies if— (a) the trustees of a...
6 (1) Nothing in paragraph 2, 3, 4 or 5 above...

SCHEDULE 5AA — Meaning of “scheme of reconstruction”

Introductory

- 1 In section 136 “ scheme of reconstruction ” means a...

First condition: issue of ordinary share capital

- 2 The first condition is that the scheme involves the issue...

Second condition: equal entitlement to new shares

- 3 (1) The second condition is that under the scheme the...

Third condition: continuity of business

- 4 (1) The third condition is that the effect of the...

Fourth condition: compromise or arrangement with members

- 5 The fourth condition is that— (a) the scheme is carried...

Preliminary reorganisation of share capital to be disregarded

- 6 Where a reorganisation of the share capital of the original...

Subsequent issue of shares or debentures to be disregarded

- 7 An issue of shares in or debentures of the successor...

Interpretation

- 8 (1) In this Schedule “ ordinary share capital ” has...

SCHEDULE 5B — Enterprise investment scheme: re-investment

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Application of Schedule

- 1 (1) This Schedule applies where— (a) there would (apart from...

Failure of conditions of application

- 1A (1) If the condition in sub-paragraph (2)(b) of paragraph 1...

Postponement of original gain

- 2 (1) On the making of a claim by the investor...

Chargeable events

- 3 (1) Subject to the following provisions of this paragraph, there...

Gain accruing on chargeable event

- 4 (1) On the occurrence of a chargeable event in relation...

Person to whom gain accrues

- 5 (1) The chargeable gain which accrues, in accordance with paragraph...

Claims

- 6 (1) Subject to sub-paragraph (2) below, section 306 of the...

Reorganisations

- 7 (1) Where an individual holds shares which form part of...

Acquisition of share capital by new company

- 8 (1) This paragraph applies where— (a) a company (“the new...

Other reconstructions and amalgamations

- 9 (1) Subject to sub-paragraphs (2) and (3) below, sections 135...

Re-investment in same company etc.

- 10 (1) An individual to whom any eligible shares in a...

Pre-arranged exits

- 11 (1) Where an individual subscribes for eligible shares (“the shares”)...

Put options and call options

- 12 (1) Sub-paragraph (2) below applies where an individual subscribes for...

Value received by investor

- 13 (1) Where an individual who subscribes for eligible shares (“the...

Provision supplemental to paragraph 13

- 13A (1) For the purposes of paragraph 13 above, the value...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Receipt of replacement value

13B (1) Where— (a) by reason of a receipt of value...

Provision supplemental to paragraph 13B

13C (1) The receipt of the replacement value by the original...

Value received by other persons

14 (1) Sub-paragraph (2) below applies where an individual subscribes for...

Insignificant repayments disregarded for purposes of paragraph 14

14AA (1) Any repayment shall be disregarded for the purposes of...

Certain receipts to be disregarded for purposes of paragraph 14

14A (1) Sub-paragraph (4) below applies where, by reason of a...

Investment-linked loans

15 (1) Where at any time in the relevant period an...

Information

16 (1) Where, in relation to any of the relevant shares...

Trustees: general

17 (1) Subject to the following provisions of this paragraph, this...

Trustees: anti-avoidance

18 (1) Paragraphs 13 to 13C and 15 above shall have...

Interpretation

19 (1) For the purposes of this Schedule— “ 51 per...

SCHEDULE 5BA — Enterprise investment scheme: application of taper relief

Application of Schedule

1 (1) This Schedule applies where— (a) a chargeable gain (“...

Taper relief on revived gains

2 (1) Where this Schedule applies, the provisions of paragraphs 3...

Qualifying holding period

3 (1) The qualifying holding period of the original shares for...

Periods that do not count

4 A period— (a) which falls within the period beginning with...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Gains on disposal of business or non-business assets

5 (1) The following rules apply to determine whether, or to...

Savings

6 The application of paragraphs 3 to 5 above in relation...

Relevant re-investment shares

7 For the purposes of this Schedule— (a) shares are “re-investment...

Derivation of gains

8 For the purposes of this Schedule a gain (“ the...

Interpretation

9 Expressions defined for the purposes of Schedule 5B (apart from...

SCHEDULE 5C — Venture capital trusts: deferred charge on re-investment

Application of Schedule

1

The postponement of the original gain

2 (1) On the making of a claim by the investor...

Chargeable events

3 (1) Subject to the following provisions of this paragraph, there...

Gain accruing on chargeable event

4 (1) On the occurrence of a chargeable event in relation...

Persons to whom gain accrues

5 (1) The chargeable gain which accrues in accordance with paragraph...

Interpretation

6 (1) In this Schedule “non-resident” means a person who is...

SCHEDULE 6 — Retirement relief etc.

Part I — INTERPRETATION

1
2
3
4

Part II — THE OPERATION OF THE RELIEF

Disposals on which relief may be given

5

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Gains qualifying for relief

- 6
- 7
- 8
- 9
- 10
- 11
- 12

The amount available for relief: the basic rule

- 13

Aggregation of earlier business periods

- 14

Relief given on earlier disposal

- 15

Aggregation of spouse's interest in the business

- 16

SCHEDULE 7 — Relief for gifts of business assets
Part I — AGRICULTURAL PROPERTY AND SETTLED PROPERTY

Agricultural property

- 1 (1) This paragraph applies where— (a) there is a disposal...

Settled property

- 2 (1) If— (a) the trustees of a settlement make a...
- 3 (1) This paragraph applies where— (a) there is a disposal...

Part II — REDUCTIONS IN HELD-OVER GAIN

Application and interpretation

- 4 (1) The provisions of this Part of this Schedule apply...

Reductions peculiar to disposals of assets

- 5 (1) If, in the case of a disposal of an...
- 6 (1) If, in the case of a disposal of an...

Reduction peculiar to disposal of shares

- 7 (1) If in the case of a disposal of shares...

Reduction where gain partly relieved by retirement relief

- 8 (1) If, in the case of a disposal of an...

SCHEDULE 7A — Restriction on set-off of pre-entry losses

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Application and construction of Schedule

- 1 (1) This Schedule shall have effect, in the case of...

Pre-entry proportion of losses on pre-entry assets

- 2 (1) Subject to paragraphs 3 to 5 below, the pre-entry...

Disposals of pooled assets

- 3 (1) This paragraph shall apply (subject to paragraphs 4 and...

Rule to prevent pre-entry losses on pooled assets being treated as post-entry losses

- 4 (1) This paragraph shall apply if— (a) there is a...

Alternative calculation by reference to market value

- 5 (1) Subject to paragraph 4(5) above and the following provisions...

Restrictions on the deduction of pre-entry losses

- 6 (1) In the calculation of the amount to be included...

Gains from which pre-entry losses are to be deductible

- 7 (1) A pre-entry loss that accrued to a company before...

Change of a company's nature

- 8 (1) If— (a) within any period of three years, a...

Identification of "the relevant group" and application of Schedule to every connected group

- 9 (1) This paragraph shall apply where there is more than...

Appropriations to stock in trade

- 10 Where, but for an election under subsection (3) of section...

Continuity provisions

- 11 (1) This paragraph applies where provision has been made by...

Companies changing groups on certain transfers of shares etc.

- 12 For the purposes of this Schedule, and without prejudice to...

SCHEDULE 7AA — Restrictions on setting losses against pre-entry gains

Introductory

- 1 (1) This Schedule applies in the case of any company...

Restriction on setting off losses

- 2 (1) Notwithstanding anything in section 8 or Schedule 7A, the...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Adjustment of pre-entry gains

- 3 (1) For the purposes of paragraph 2 above the adjusted...

Meaning of “qualifying losse”s

- 4 (1) Any amount which, in the case of the relevant...

Special rule for disposal of pooled assets

- 5 (1) This paragraph applies where— (a) any holding of securities...

Special rule for losses on disposal of certain assets acquired at different times

- 6 (1) This paragraph applies in relation to any allowable loss...

Special rule for gains and losses on deemed annual disposal

- 7 Where— (a) a chargeable gain or allowable loss is treated...

SCHEDULE 7AB — Roll-over of degrouping charge: modification of enactments

Introductory

- 1 (1) This Schedule sets out how sections 152 and 153...

Section 152

- 2 (1) For subsection (1) of section 152 (roll-over relief) substitute—...

Section 153

- 3 For subsection (1) of section 153 (assets only partly replaced)...

Section 153A

- 4 (1) In subsection (1) of section 153A (provisional application of...

Section 155

- 5 In section 155 (relevant classes of assets), in Head A...

Section 159

- 6 (1) In subsection (1) of section 159 (new assets must...

Section 175

- 7 (1) In subsection (2) of section 175 (single-trade rule for...

Section 185

- 8 (1) In subsection (3) of section 185 (no roll-over relief...

Section 198

- 9 (1) For subsection (1) of section 198 (replacement of business...

Status: Point in time view as at 20/07/2005.

Changes to legislation: *Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)*

Schedule 22 to the Finance Act 2000

10 In sub-paragraph (2) of paragraph 67 of Schedule 22 to...

SCHEDULE 7AC — Exemptions for disposals by companies with substantial shareholding

Part 1 — THE EXEMPTIONS

The main exemption

1 (1) A gain accruing to a company (“ the investing...

Subsidiary exemption: disposal of asset related to shares where main exemption conditions met

2 (1) A gain accruing to a company (“ company A...

Subsidiary exemption: disposal of shares or related asset where main exemption conditions previously met

3 (1) A gain accruing to a company (“ company A...

Application of exemptions in priority to provisions deeming there to be no disposal etc

4 (1) For the purposes of determining whether an exemption conferred...

Circumstances in which exemptions do not apply

5 (1) Where in pursuance of arrangements to which this paragraph...

Other cases excluded from exemptions

6 (1) The exemptions conferred by this Schedule do not apply—...

Part 2 — THE SUBSTANTIAL SHAREHOLDING REQUIREMENT

The requirement

7 The investing company must have held a substantial shareholding in...

Meaning of “substantial shareholdin”g

8 (1) For the purposes of this Schedule a company holds...

Aggregation of holdings of group companies

9 (1) For the purposes of paragraph 7 (the substantial shareholding...

Effect of earlier no-gain/no-loss transfer

10 (1) For the purposes of this Part the period for...

Effect of deemed disposal and reacquisition

11 (1) For the purposes of this Part a company is...

Effect of repurchase agreement

12 (1) This paragraph applies where— (a) a company that holds...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Effect of stock lending arrangements

13 (1) This paragraph applies where— (a) a company that holds...

Effect in relation to company invested in of earlier company reconstruction etc

14 (1) This paragraph applies where shares in one company (“...

Effect in relation to company invested in of earlier demerger

15 (1) This paragraph applies where shares in one company (“...

Effect of investing company’s liquidation

16 Where assets of the investing company, or of a company...

Special rules for assets of insurance company’s long-term insurance fund

17 (1) In the following two cases paragraph 8(1) (meaning of...
Part 3 — REQUIREMENTS TO BE MET IN RELATION TO INVESTING
COMPANY AND COMPANY INVESTED IN

Requirements relating to the investing company

18 (1) The investing company must— (a) have been a sole...

Requirements relating to the company invested in

19 (1) The company invested in must— (a) have been a...

Meaning of “trading compan”y

20 (1) In this Schedule “ trading company ” means a...

Meaning of “trading grou”p

21 (1) In this Schedule “ trading group ” means a...

Meaning of “trading subgrou”p

22 (1) In this Schedule “ trading subgroup ” means a...

Treatment of holdings in joint venture companies

23 (1) This paragraph applies where a company (“ the company...

Meaning of “joint venture compan”y and “qualifying shareholdin”g

24 (1) For the purposes of this Schedule a company is...

Effect in relation to company invested in of earlier company reconstruction, demerger etc

25 The provisions of— (a) paragraph 14 (effect of earlier company...
Part 4 — INTERPRETATION

Meaning of “compan”y, “grou”p and related expressions

26 (1) In this Schedule— (a) “ company ” has the...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Meaning of “trade”

27 In this Schedule “trade” means anything that—

Meaning of “twelve-month period”

28 For the purposes of this Schedule a “twelve-month period...

Meaning of “interest in share”

29 (1) References in this Schedule to an interest in shares...

Meaning of “asset related to share”

30 (1) This paragraph explains what is meant by an asset...

Index of defined expressions

31 In this Schedule the expressions listed below are defined or...

Part 5 — CONSEQUENTIAL PROVISIONS

Meaning of “chargeable share” or “chargeable asset”

32 Any exemption conferred by this Schedule shall be disregarded in...

Negligible value claims

33 (1) This paragraph applies where— (a) a company makes a...

Reorganisations etc: deemed accrual of chargeable gain or allowable loss held over on earlier transaction

34 (1) The exemptions conferred by this Schedule do not apply...

Recovery of charge postponed on transfer of assets to non-resident company

35 (1) This paragraph applies where— (a) a company disposes of...

Appropriation of asset to trading stock

36 (1) Where— (a) an asset acquired by a company otherwise...

Recovery of held-over gain on claim for gifts relief

37 (1) This paragraph applies where— (a) a company disposes of...

Degrouping: time when deemed sale and reacquisition treated as taking place

38 (1) Where— (a) a company, as a result of ceasing...

Effect of FOREX matching regulations

39 (1) No gain or loss shall be treated as arising...

SCHEDULE 7AD — Gains of insurance company from venture capital investment partnership

Introduction

1 This Schedule applies where the assets of the long-term insurance...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Meaning of “venture capital investment partnership”

- 2 (1) A “venture capital investment partnership” means a partnership in...

Interest in relevant assets of partnership treated as single asset

- 3 (1) Where this Schedule applies section 59 (partnerships) does not...

The cost of the single asset

- 4 (1) The company is treated as having given, wholly and...

Deemed disposal of single asset in case of distribution

- 5 (1) There is a disposal of the single asset on...

Apportionment in case of part disposal

- 6 (1) For the purposes of section 42 (apportionment of cost...

Disposal of partnership asset giving rise to offshore income gain

- 7 (1) Nothing in this Schedule shall be read as affecting...

Exclusion of negligible value claim

- 8 No claim may be made in respect of the single...

Investment in other venture capital investment partnerships

- 9 (1) For the purposes of paragraph 2 (meaning of “venture...

Interpretation

- 10 (1) In this Schedule— “insurance company”, “long-term business” and “long-term...

General commencement and transitional provisions

- 11 (1) Subject to paragraph 12 (election to remain outside Schedule),...

Election to remain outside Schedule

- 12 If the company— (a) became a member of the partnership...

How and when election to be made

- 13 Any election under paragraph 11 or 12 must be made—...

SCHEDULE 7B — Modification of Act in relation to overseas life insurance companies

- 1 In its application to an overseas life insurance company (as...
2 (1) In section 13(5)(d), the words “section 11(2)(b), (c), (d)...
3 (1) In section 16(3), the words “under section 11(2)(b), (c),...
4 (1) In section 25, the following subsection shall be treated...
5 (1) In section 140A(2), the words “ section 11(2)(b), (c)...
6 (1) In section 159(4)(b), the words “ section 11(2)(b), (c)...
6A In section 171(1A), the words “section 11(2)(b), (c), (d) or...
6B In section 175(2AA), the words “section 11(2)(b), (c), (d) or...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

- 7 (1) In section 172(4), the words “ section 11(2)(b), (c),...
- 7A In section 179A(12), the words “section 11(2)(b), (c) or (d)...
- 8 (1) In subsections (2)(a) and (3) of section 185, the...
- 9 (1) In section 190(2)(b) , the words “section 11(2)(b), (c),...
- 9A In section 211(1), the reference to an insurance business transfer...
- 10 (1) In section 212, the following subsection shall be treated...
- 11 (1) In section 213(4), the words “ in the United...
- 12 (1) In section 214, the following subsection shall be treated...
- 13 (1) In subsection (4) of section 214A, in item G...
- 14 (1) In section 228(6)(b), the words “ section 11(2)(b), (c)...
- 15 (1) In Schedule 7A, in sub-paragraph (3A) of paragraph 1,...
- 16 In Schedule 7AC, in paragraph 3(2)(c)(ii), the words “section 11(2)(b),...

SCHEDULE 7C — Relief for transfers to approved share plans

Introductory

- 1 (1) A person (“the claimant”) who makes a disposal of...

Conditions relating to the disposal

- 2 (1) The first condition is that, at the time of...

Reinvestment of disposal proceeds

- 3 (1) This sub-paragraph applies if the claimant obtains consideration for...

Provision supplementary to paragraphs 2 and 3

- 4 (1) This paragraph applies for the purposes of paragraphs 2...

The relief

- 5 (1) Where the claimant is entitled to claim relief under...

Dwelling-houses: special provision

- 6 (1) Sub-paragraph (2) applies where— (a) a claim is made...

Shares: special provision

- 7 (1) Sub-paragraph (2) applies where— (a) a claim is made...

Meaning of “chargeable asset”

- 8 For the purposes of this Schedule an asset is a...

SCHEDULE 7D — Approved share schemes and share incentives Part 1 — APPROVED SHARE INCENTIVE PLANS

Introductory

- 1 (1) The provisions of this Part of this Schedule apply...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Gains accruing to trustees

- 2 (1) Any gain accruing to the trustees is not a...

Participant absolutely entitled as against trustees

- 3 (1) Sub-paragraph (2) applies to any shares awarded to a...

Different classes of shares

- 4 (1) For the purposes of Chapter 1 of Part 4...

No chargeable gain on shares ceasing to be subject to the plan

- 5 (1) Shares which cease to be subject to the plan...

Deemed disposal by trustees on disposal of beneficial interest

- 6 (1) If at any time the participant's beneficial interest in...

Treatment of forfeited shares

- 7 (1) If any of the participant's plan shares are forfeited,...

Disposal of rights under rights issue

- 8 (1) Any gain accruing on the disposal of rights under...
Part 2 — APPROVED SAYE OPTION SCHEMES

Introductory

- 9 (1) This Part of this Schedule forms part of the...

Market value rule not to apply

- 10 (1) This paragraph applies where— (a) a share option (“the...
Part 3 — APPROVED CSOP SCHEMES

Introductory

- 11 (1) This Part of this Schedule forms part of the...

Relief where income tax charged in respect of grant of option

- 12 (1) This paragraph applies where an amount (the “employment
income...

Market value rule not to apply

- 13 (1) This paragraph applies where— (a) the individual exercises the...
Part 4 — ENTERPRISE MANAGEMENT INCENTIVES

Introductory

- 14 (1) This Part of this Schedule forms part of the...

Taper relief on disposal of qualifying shares

- 15 For the purposes of computing taper relief on a disposal...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Rights issues in respect of qualifying shares

16 Where— (a) an individual holds qualifying shares, and

SCHEDULE 8 — Leases

Leases of land as wasting assets: curved line restriction of allowable expenditure

1 (1) A lease of land shall not be a wasting...

Premiums for leases

2 (1) Subject to this Schedule where the payment of a...

3 (1) This paragraph applies in relation to a lease of...

Subleases out of short leases

4 (1) In the computation of the gain accruing on the...

Exclusion of premiums taxed under Schedule A etc.

5 (1) Where by reference to any premium any amount is...

6 (1) If— (a) under section 37(4) of the Taxes Act...

7 If— (a) under section 34(2) and (3) of the Taxes...

7A References in paragraphs 5 to 7 above to an amount...

Duration of leases

8 (1) In ascertaining for the purposes of this Act the...

Leases of property other than land

9 (1) Paragraphs 2, 3, 4 and 8 of this Schedule...

Interpretation

10 (1) In this Act, unless the context otherwise requires “lease”...

SCHEDULE 9 — Gilt-edged securities

Part I — GENERAL

1 For the purposes of this Act “gilt-edged securities” means the...

1A (1) Any security which is a strip of a security...

2 The Treasury shall cause particulars of any order made under...

3 Section 14(b) of the Interpretation Act 1978 (implied power to...

Part II — EXISTING GILT-EDGED SECURITIES

SCHEDULE 10 — Consequential amendments

Post Office Act 1969 c. 48

1 In section 74 of the Post Office Act 1969 for...

Taxes Management Act 1970 c. 9

2 (1) The Taxes Management Act 1970 shall have effect subject...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Finance Act 1973 c. 51

3 (1) In section 38(2) of the Finance Act 1973 for...

British Aerospace Act 1980 c. 26

4 In section 12(2) of the British Aerospace Act 1980 for...

British Telecommunications Act 1981 c. 38

5 In section 82(1) for “Capital Gains Tax Act 1979” and...

Value Added Tax Act 1983 c. 55

6 In Group 11 of Schedule 6 to the Value Added...

Telecommunications Act 1984 c. 12

7 In section 72(2) of the Telecommunications Act 1984 for “272(5)...

Inheritance Tax Act 1984 c. 51

8 (1) The Inheritance Tax Act shall have effect subject to...

Finance Act 1985 c. 54

9 In section 81 for “Capital Gains Tax Act 1979” there...

Trustee Savings Bank Act 1985 c. 58

10 (1) In paragraph 2 of Schedule 2 to the Trustee...

Transport Act 1985 c. 67

11 In section 130— (a) in subsection (3) for “Capital Gains...

Airports Act 1986 c. 31

12 In section 77(2) of the Airports Act 1986 for “272(5)...

Gas Act 1986 c. 44

13 In section 60(2) of the Gas Act 1986 for “272(5)...

Income and Corporation Taxes Act 1988 c. 1

14 (1) The Income and Corporation Taxes Act 1988 shall have...

British Steel Act 1988 c. 35

15 In section 11(2) of the British Steel Act 1988 for...

Finance Act 1988 c. 39

16 (1) The Finance Act 1988 shall have effect subject to...

Health and Medicines Act 1988 c. 49

17 In section 6(2) of the Health and Medicines Act 1988...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Water Act 1989 c. 15

18 In section 95 of the Water Act 1989—

Finance Act 1989 c. 26

19 (1) In section 69(9) of the Finance Act 1989 for...

Electricity Act 1989 c. 29

20 (1) In paragraph 2 of Schedule 11 to the Electricity...

Capital Allowances Act 1990 c. 1

21 (1) The following section shall be inserted in the Capital...

Finance Act 1990 c. 29

22 (1) The Finance Act 1990 shall have effect subject to...

Finance Act 1991 c. 31.

23 In section 72(4) of the Finance Act 1991 for “5(1)...

Ports Act 1991 c. 52

24 (1) In section 16 of the Ports Act 1991 for...

British Technology Group Act 1991 c. 66

25 In section 12(2) of the British Technology Group Act 1991...

SCHEDULE 11 — Transitional provisions and savings
Part I — VALUATION

Preliminary

1 (1) This Part of this Schedule has effect in cases...

Gifts and transactions between connected persons before 20th March 1985

2 (1) Where sub-paragraph (1) above applies for the purpose of...

Valuation of assets before 6th July 1973

3 Section 273 shall apply for the purposes of determining the...

4 (1) This paragraph applies if, in a case where the...

5 (1) In any case where— (a) before 6th July 1973...

Valuation of assets on 6th April 1965

6 (1) For the purpose of ascertaining the market value of...

*References to the London Stock Exchange before 25th March
1973 and Exchange Control restrictions before 13th December 1979*

7 (1) For the purposes of ascertaining the market value of...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Depreciated valuations referable to deaths before 31st March 1973

8 In any case where this Part applies, section 272(2) shall...

Estate duty

9 (1) Where estate duty (including estate duty leviable under the...
Part II — OTHER TRANSITORY PROVISIONS

Value-shifting

10 (1) Section 30 applies only where the reduction in value...

Assets acquired on disposal chargeable under Case VII of Schedule D

11 (1) In this paragraph references to a disposal chargeable under...

Unrelieved Case VII losses

12 Where no relief from income tax (for a year earlier...

Devaluation of sterling: securities acquired with borrowed foreign currency

13 (1) This paragraph applies where, in pursuance of permission granted...

Devaluation of sterling: foreign insurance funds

14 (1) The sums allowable as a deduction under section 38(1)(a)...

Gilt-edged securities past redemption date

15 So far as material for the purposes of this or...

Qualifying corporate bonds, company reorganisations, share conversions etc.

16 (1) Part IV of this Act has effect subject to...

Land: allowance for betterment levy

17 (1) Where betterment levy charged in the case of any...

Non-resident trusts

18 Without prejudice to section 289 or Part III of this...

Private residences

19 The reference in section 222(5)(a) to a notice given by...

Works of art etc.

20 The repeals made by this Act do not affect the...

Disposal before acquisition

21 The substitution of this Act for the corresponding enactments repealed...

Estate duty

22 Nothing in the repeals made by this Act shall affect...

Status: Point in time view as at 20/07/2005.

Changes to legislation: Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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)

Validity of subordinate legislation

- 23 So far as this Act re-enacts any provision contained in...

Amendments in other Acts

- 24 (1) The repeal by this Act of the Income and...

Saving for Part III of this Schedule

- 25 The provisions of this Part of this Schedule are without...

Part III — ASSETS ACQUIRED BEFORE COMMENCEMENT

- 26 (1) The substitution of this Act for the enactments repealed...

- 27 Where the acquisition or provision of any asset by one...

Part IV — OTHER GENERAL SAVINGS

- 28 Where under any Act passed before this Act and relating...

- 29 (1) The continuity of the law relating to the taxation...

SCHEDULE 12 — Repeals

—

Status:

Point in time view as at 20/07/2005.

Changes to legislation:

Taxation of Chargeable Gains Act 1992 is up to date with all changes known to be in force on or before 22 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.