



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART IV

SHARES, SECURITIES, OPTIONS ETC.

### [<sup>F1</sup>CHAPTER 4

ALTERNATIVE FINANCE ARRANGEMENTS

### [<sup>F1</sup>Introduction

#### Textual Amendments

- F1** Pt. 4 Ch. 4 inserted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 2 para. 28](#) (with Sch. 9 paras. 1-9, 22)

#### 151H Introduction

- (1) This Chapter makes provision about the treatment of alternative finance arrangements with financial institutions and alternative finance return under such arrangements for the purposes of this Act (see sections 151T to 151Y).
- (2) In this Chapter “alternative finance arrangements” means—
  - (a) purchase and resale arrangements,
  - (b) diminishing shared ownership arrangements,
  - (c) deposit arrangements,
  - (d) profit share agency arrangements, and
  - (e) investment bond arrangements.
- (3) In this Chapter—

*Status: Point in time view as at 17/07/2012.*

*Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Introduction 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)*

- (a) “purchase and resale arrangements” means arrangements to which section 151J applies,
  - (b) “diminishing shared ownership arrangements” means arrangements to which section 151K applies,
  - (c) “deposit arrangements” means arrangements to which section 151L applies,
  - (d) “profit share agency arrangements” means arrangements to which section 151M applies, and
  - (e) “investment bond arrangements” means arrangements to which section 151N applies.
- (4) For the meaning of “alternative finance return”, see sections 151P to 151S.
- (5) For the meaning of “financial institution”, see section 151I.
- (6) Also, see—
- (a) section 366 of TIOPA 2010 (power to extend this Chapter and other provisions to other arrangements by order), and
  - (b) Schedule 61 to FA 2009 (alternative finance investment bonds) which makes further provision about the treatment of investment bond arrangements for the purposes of this Act.]

## **[<sup>F2</sup>151I Meaning of “financial institution”**

- (1) In this Chapter “financial institution” means—
- (a) a bank, as defined by section 1120 of CTA 2010,
  - (b) a building society,
  - (c) a wholly-owned subsidiary—
    - (i) of a bank within paragraph (a), or
    - (ii) of a building society,
  - (d) a person authorised by a licence under Part 3 of the Consumer Credit Act 1974 to carry on a consumer credit business or consumer hire business within the meaning of that Act,
  - (e) a bond-issuer, within the meaning of section 151N, but only in relation to any bond assets which are rights under purchase and resale arrangements, diminishing shared ownership arrangements or profit share agency arrangements,
  - (f) a person authorised in a jurisdiction outside the United Kingdom—
    - (i) to receive deposits or other repayable funds from the public, and
    - (ii) to grant credits for its own account,
  - (g) an insurance company as defined in [<sup>F3</sup>section 65 of the Finance Act 2012], or
  - (h) a person who is authorised in a jurisdiction outside the United Kingdom to carry on a business which consists of effecting or carrying out contracts of insurance or substantially similar business but not an insurance special purpose vehicle as defined in [<sup>F4</sup>section 139(1) of the Finance Act 2012].
- (2) For the purposes of subsection (1)(c) a company is a wholly-owned subsidiary of a bank or building society (“the parent”) if it has no members except—
- (a) the parent or persons acting on behalf of the parent, and
  - (b) the parent's wholly-owned subsidiaries or persons acting on behalf of the parent's wholly-owned subsidiaries.]

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#### Textual Amendments

- F2** S. 151I inserted (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 2 para. 29** (with Sch. 9 paras. 1-9, 22)
- F3** Words in s. 151I(1)(g) substituted (17.7.2012) by Finance Act 2012 (c. 14), **Sch. 16 para. 76(a)**
- F4** Words in s. 151I(1)(h) substituted (17.7.2012) by Finance Act 2012 (c. 14), **Sch. 16 para. 76(b)**

**Status:**

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**Changes to legislation:**

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