

*Status: Point in time view as at 28/07/2000.*

*Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Avoidance of double-counting is up to date with all changes known to be in force on or before 27 June 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

### [<sup>F1</sup>SCHEDULE 4A

#### DISPOSAL OF INTEREST IN SETTLED PROPERTY: DEEMED DISPOSAL OF UNDERLYING ASSETS

##### Textual Amendments

- F1** Sch. 4A inserted (with application in accordance with s. 91(3) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), s. 91(2), [Sch. 24](#)

##### *Avoidance of double-counting*

- 10 (1) The provisions of this paragraph have effect to prevent there being both a deemed disposal under this Schedule in relation to the disposal of an interest in settled property and a chargeable disposal of the interest itself.
- A “chargeable disposal” means one in relation to which section 76(1) does not apply.
- (2) If there would be a chargeable gain on the disposal of the interest in the settlement, then—
- (a) if—
- (i) the chargeable gain on the disposal of the interest would be greater than the net chargeable gain on the deemed disposal, or
- (ii) there would be no net chargeable gain on the deemed disposal, the provisions of this Schedule as to a deemed disposal do not apply; and
- (b) in any other case, the provisions of this Schedule as to a deemed disposal apply and no chargeable gain is treated as accruing on the disposal of the interest in the settlement.
- (3) If there would be an allowable loss on the disposal of the interest in the settlement, then—
- (a) if there would be a greater net allowable loss on the deemed disposal, the provisions of this Schedule as to a deemed disposal do not apply; and
- (b) in any other case, the provisions of this Schedule as to a deemed disposal apply and no allowable loss is treated as accruing on the disposal of the interest in the settlement.
- (4) If there would be neither a chargeable gain nor an allowable loss on the disposal of the interest in the settlement, then—
- (a) if there would be a net allowable loss on the deemed disposal, the provisions of this Schedule as to a deemed disposal do not apply; and
- (b) in any other case, the provisions of this Schedule as to a deemed disposal apply.
- (5) For the purposes of this paragraph—

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- (a) there is a net chargeable gain on a deemed disposal if the aggregate of the chargeable gains accruing to the trustees in respect of the assets involved exceeds the aggregate of the allowable losses so accruing; and
- (b) there is a net allowable loss on a deemed disposal if the aggregate of the allowable losses accruing to the trustees in respect of the assets involved exceeds the aggregate of the chargeable gains so accruing.]

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