

Status: Point in time view as at 28/07/2000.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Value attributable to trustee borrowing is up to date with all changes known to be in force on or before 14 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

[^{F1}SCHEDULE 4B

TRANSFERS OF VALUE BY TRUSTEES LINKED WITH TRUSTEE BORROWING

Textual Amendments

- F1** Sch. 4B inserted (with effect in accordance with s. 92(5) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), s. 92(2), [Sch. 25](#)

Value attributable to trustee borrowing

- 12 (1) For the purposes of this Schedule the value of an asset is attributable to trustee borrowing to the extent determined in accordance with the following rules.
- (2) Where the asset itself has been borrowed by trustees, the value of the asset is attributable to trustee borrowing to the extent that the proceeds of that borrowing have not been applied for normal trust purposes.
- This is in addition to any extent to which the value of the asset may be attributable to trustee borrowing by virtue of sub-paragraph (3).
- (3) The value of any asset is attributable to trustee borrowing to the extent that—
- the trustees have applied the proceeds of trustee borrowing in acquiring or enhancing the value of the asset, or
 - the asset represents directly or indirectly an asset whose value was attributable to the trustees having so applied the proceeds of trustee borrowing.
- (4) For the purposes of this paragraph an amount is applied by the trustees in acquiring or enhancing the value of an asset if it is applied wholly and exclusively by them—
- as consideration in money or money's worth for the acquisition of the asset,
 - for the purpose of enhancing the value of the asset in a way that is reflected in the state or nature of the asset,
 - in establishing, preserving or defending their title to, or to a right over, the asset, or
 - where the asset is a holding of shares or securities that is treated as a single asset, by way of consideration in money or money's worth for additional shares or securities forming part of the same holding.
- (5) Trustees are treated as applying the proceeds of borrowing as mentioned in sub-paragraph (4) if and to the extent that at the time the expenditure is incurred there is outstanding trustee borrowing.
- (6) In sub-paragraph (4)(d) “securities” has the same meaning as in section 132.]

Status:

Point in time view as at 28/07/2000.

Changes to legislation:

Taxation of Chargeable Gains Act 1992, Cross Heading: Value attributable to trustee borrowing is up to date with all changes known to be in force on or before 14 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.