

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Chargeable events is up to date with all changes known to be in force on or before 07 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) View outstanding changes

SCHEDULES

[^{F1}SCHEDULE 8B

HOLD-OVER RELIEF FOR GAINS RE-INVESTED IN SOCIAL ENTERPRISES

Textual Amendments

F1 Sch. 8B inserted (17.7.2014) by [Finance Act 2014 \(c. 26\)](#), [Sch. 12 para. 3](#)

Chargeable events

- 6 (1) A chargeable event occurs in relation to an asset that forms the whole or any part of the social holding if (after the acquisition of the holding)—
- (a) the investor disposes of the asset otherwise than by way of a disposal within marriage or civil partnership,
 - (b) the asset is disposed of, otherwise than by way of a disposal to the investor, by a person who acquired the asset on a disposal made within marriage or civil partnership,
 - (c) the asset is cancelled, extinguished, redeemed or repaid, or
 - (d) any of the conditions in Chapters 3 and 4 of Part 5B of ITA 2007 for the investor's eligibility for SI relief under that Part in respect of the amount invested fails to be met.

In this sub-paragraph “asset” includes part of an asset.

- (2) In the event of the death of—
- (a) the investor, or
 - (b) a person who, on a disposal within marriage or civil partnership, has acquired the whole or any part of the social holding,
- nothing which occurs at or after the time of death is a chargeable event in relation to any part of the holding held by the deceased person immediately before the time of death.
- (3) If a person makes a disposal of assets of a particular class while retaining other assets of that class—
- (a) assets of that class acquired by the person on an earlier day are treated for the purposes of this Schedule as disposed of before assets of that class acquired by the person on a later day, and
 - (b) assets of that class acquired by the person on the same day are treated for the purposes of this Schedule as disposed of in the following order—
 - (i) first, any to which neither relief under this Schedule, nor SI relief under Part 5B of ITA 2007, is attributable,
 - (ii) next, any to which relief under this Schedule, but not SI relief under that Part, is attributable,

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- (iii) next, any to which SI relief under that Part, but not relief under this Schedule, is attributable, and
 - (iv) finally, any to which both SI relief under that Part, and relief under this Schedule, are attributable.
- (4) For the purposes of sub-paragraph (3), assets—
- (a) to which relief under this Schedule is attributable, and
 - (b) which have not been held continuously by the investor since the social holding was acquired,
- are treated as having been acquired when the social holding was acquired if SI relief under Part 5B of ITA 2007 is not also attributable to them.
- (5) For the purposes of sub-paragraph (3), assets—
- (a) to which SI relief under Part 5B of ITA 2007 is attributable, and
 - (b) which were transferred to an individual as mentioned in section 257T of ITA 2007 (transfers between spouses or civil partners),
- are treated as having been acquired when the social holding was acquired.
- (6) Chapter 1 of Part 4 of this Act has effect subject to sub-paragraphs (3) to (5).
- (7) Sections 104, 105 and 106A do not apply to assets to which relief under this Schedule is attributable if SI relief under Part 5B of ITA 2007 is not also attributable to them.
- (8) Where, at the time of a chargeable event, an asset that formed the whole or any part of the social holding is treated for the purposes of this Act as represented by assets which consist of or include assets other than that asset—
- (a) so much of the original gain as is attributable to the asset is treated, in determining for the purposes of this paragraph the amount of the original gain to be treated as attributable to each of those assets, as apportioned in such manner as may be just and reasonable between those assets, and
 - (b) as between different assets treated as representing the same asset, sub-paragraphs (3) to (5) apply with the necessary modifications in relation to those assets as they would apply in relation to the asset.
- (9) In order to determine, for the purposes of sub-paragraph (8), the amount of the original gain attributable to any asset, a proportionate part of the amount of the original gain is to be attributed to each asset that forms the whole or any part of so much of the social holding as is held, immediately before the occurrence of the chargeable event in question, by the investor or a person who has acquired any part of the social holding from the investor on a disposal within marriage or civil partnership.
- (10) In subsections (8) and (9) references to the original gain are to so much of the original gain as remains after deduction from it of the amount of any chargeable gain treated as accruing as a result of the previous operation of paragraph 5.]

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied by [1997 c. 16 Sch. 12 para. 12\(7\)](#)[1314](#)
- Act applied by [2002 c. 23 Sch. 16 para. 48\(1\)\(2\)](#)
- Act construed as one with reg. 37 by [S.I. 2006/575 reg. 37\(2\)](#)
- Act construed as one with reg. 38 by [S.I. 2006/575 reg. 38\(3\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(10)(11) inserted by [2016 c. 11 s. 15\(4\)](#)
- s. 4(10) words inserted by [2016 c. 24 s. 83\(11\)](#)
- s. 35(3)(d)(xviii) added by [2008 c. 17 Sch. 7 para. 9](#)
- s. 35(3)(d)(xviii) inserted by [2008 c. 18 Sch. 13 para. 46](#)
- s. 35(3)(d)(xviii) repealed by [S.I. 2008/3002 Sch. 1 para. 42](#)[Sch. 3](#) (This amendment comes into force on the day 2008 c. 4, s. 5 comes into force, see art. 1(2). That provision was brought into force on 1.12.2008 by [S.I. 2008/3068](#), art. 2(1)(b))
- s. 104(4)(b)(i) words substituted by [S.I. 1989/469](#), reg. 27(2) (as amended) by [S.I. 1997/1716 reg. 13\(1\)\(b\)](#)
- s. 107(11) words substituted by [S.I. 1989/469](#), reg. 27(2A) (as amended) by [S.I. 1997/1716 reg. 13\(2\)\(b\)](#)
- s. 169S(4A) inserted by [2015 c. 11 s. 43\(2\)](#)
- s. 587B inserted by [2000 c. 17 s. 43\(1\)](#)
- Sch. 5C para. 3(1) modified by [S.I. 2004/2199 reg. 7\(1\)](#)
- Sch. 5C para. 3(6) modified by [S.I. 2004/2199 reg. 7\(2\)](#)
- Sch. 5C para. 5(1) modified by [S.I. 2004/2199 reg. 7\(3\)](#)
- Sch. 5C para. 3 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 5 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 6 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 3(1)(f) words substituted by [2007 c. 3 Sch. 1 para. 347](#)