

Status: Point in time view as at 11/05/2001.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Conditions for other assets to qualify as business assets is up to date with all changes known to be in force on or before 21 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 A1

APPLICATION OF TAPER RELIEF

Textual Amendments

- F1** Sch. A1 inserted (with effect in accordance with s. 121(4) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), s. 121(2), [Sch. 20](#)

Conditions for other assets to qualify as business assets

- 5 (1) This paragraph applies, in the case of the disposal of any asset, for determining (subject to the following provisions of this Schedule) whether the asset was a business asset at a time before its disposal when it was neither shares in a company nor an interest in shares in a company.
- (2) Where the disposal is made by an individual, the asset was a business asset at that time if at that time it was being used, wholly or partly, for purposes falling within one or more of the following paragraphs—
- (a) the purposes of a trade carried on at that time by that individual or by a partnership of which that individual was at that time a member;
 - (b) the purposes of any trade carried on by a company which at that time was a qualifying company by reference to that individual;
 - (c) the purposes of any trade carried on by a company which at that time was a member of a trading group the holding company of which was at that time a qualifying company by reference to that individual;
 - [^{F2}(d) the purposes of any office or employment held by that individual with a person carrying on a trade.]
- (3) Where the disposal is made by the trustees of a settlement, the asset was a business asset at that time if at that time it was being used, wholly or partly, for purposes falling within one or more of the following paragraphs—
- (a) the purposes of a trade carried on by the trustees of the settlement [^{F3}or by a partnership whose members at that time included—
 - (i) the trustees of the settlement; or
 - (ii) any one or more of the persons who at that time were the trustees of the settlement (so far as acting in their capacity as such trustees)];
 - (b) the purposes of a trade carried on at that time by an eligible beneficiary or by a partnership of which an eligible beneficiary was at that time a member;
 - (c) the purposes of any trade carried on by a company which at that time was a qualifying company by reference to the trustees of the settlement or an eligible beneficiary;
 - (d) the purposes of any trade carried on by a company which at that time was a member of a trading group the holding company of which was at that time

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- a qualifying company by reference to the trustees of the settlement or an eligible beneficiary;
- [^{F4}(e) the purposes of any office or employment held by an eligible beneficiary with a person carrying on a trade.]
- (4) Where the disposal is made by an individual's personal representatives, the asset was a business asset at that time if at that time it was being used, wholly or partly, for purposes falling within one or more of the following paragraphs—
- (a) the purposes of a trade carried on by the deceased's personal representatives;
 - (b) the purposes of any trade carried on by a company which at that time was a qualifying company by reference to the deceased's personal representatives;
 - (c) the purposes of any trade carried on by a company which at that time was a member of a trading group the holding company of which was at that time a qualifying company by reference to the deceased's personal representatives.
- (5) Where the disposal is made by an individual who acquired the asset as legatee (as defined in section 64) and that time is not a time when the asset was a business asset by virtue of sub-paragraph (2) above, the asset shall be taken to have been a business asset at that time if at that time it was—
- (a) being held by the personal representatives of the deceased, and
 - (b) being used, wholly or partly, for purposes falling within one or more of paragraphs (a) to (c) of sub-paragraph (4) above.]

Textual Amendments

- F2** Sch. A1 para. 5(2)(d) substituted for Sch. A1 para. 5(2)(d)(e) (with effect in accordance with s. 67(7) of the amending Act) by [Finance Act 2000 \(c. 17\), s. 67\(3\)\(a\)](#)
- F3** Words in Sch. A1 para. 5(3)(a) inserted (with effect in accordance with s. 78(2) of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 26 para. 2\(2\)](#) (with [Sch. 3](#))
- F4** Sch. A1 para. 5(3)(e) substituted for Sch. A1 para. 5(3)(e)(f) (with effect in accordance with s. 67(7) of the amending Act) by [Finance Act 2000 \(c. 17\), s. 67\(3\)\(b\)](#)

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