



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART V

TRANSFER OF BUSINESS ASSETS

[^{F1} CHAPTER 3

ENTREPRENEURS' RELIEF

[^{F1}169N Amount of relief: general

- (1) Where a claim is made in respect of a qualifying business disposal—
 - (a) the relevant gains (see subsection (5)) are to be aggregated, and
 - (b) any relevant losses (see subsection (6)) are to be aggregated and deducted from the aggregate arrived at under paragraph (a).
- [^{F2}(2) The resulting amount is to be treated for the purposes of this Act as a chargeable gain accruing at the time of the disposal to the individual or trustees by whom the claim is made.
- (3) The rate of capital gains tax in respect of that gain is 10%, but this is subject to subsections (4) to (4B).
- (4) Subsections (4A) and (4B) apply if the aggregate of—
 - (a) the gain mentioned in subsection (2), and
 - (b) the total of so much of each amount resulting under subsection (1) by virtue of its operation in relation to earlier relevant qualifying business disposals (if any) as was—
 - (i) charged at the rate in subsection (3), or
 - (ii) subject to reduction under subsection (2) of this section as originally enacted,exceeds [^{F3}£10 million].

Status: Point in time view as at 19/07/2011. This version of this provision has been superseded.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Section 169N is up to date with all changes known to be in force on or before 19 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)

- (4A) The rate in subsection (3) is to apply only to so much (if any) of the gain mentioned in subsection (2) as (when added to the total mentioned in subsection (4)(b)) does not exceed [^{F4}£10 million].
- (4B) Section 4 (rates of capital gains tax) is to apply to so much of the gain mentioned in subsection (2) as is not subject to the rate in subsection (3).]
- (5) In subsection (1)(a) “relevant gains” means—
- (a) if the qualifying business disposal is of (or of interests in) shares in or securities of a company (or both), the gains accruing on the disposal (computed in accordance with the provisions of this Act fixing the amount of chargeable gains), and
 - (b) otherwise, the gains accruing on the disposal of any relevant business assets comprised in the qualifying business disposal (so computed).
- (6) In subsection (1)(b) “relevant losses” means—
- (a) if the qualifying business disposal is of (or of interests in) shares in or securities of a company (or both), any losses accruing on the disposal (computed in accordance with the provisions of this Act fixing the amount of allowable losses, on the assumption that notice has been given under section 16(2A) in respect of them), and
 - (b) otherwise, any losses accruing on the disposal of any relevant business assets comprised in the qualifying business disposal (so computed, on that assumption).
- (7) In [^{F5}subsection (4)] “earlier relevant qualifying business disposals” means—
- (a) where the qualifying business disposal is made by an individual, earlier qualifying business disposals made by the individual and earlier disposals of trust business assets in respect of which the individual is the qualifying beneficiary, and
 - (b) where the qualifying business disposal is a disposal of trust business assets in respect of which an individual is the qualifying beneficiary, earlier disposals of trust business assets in respect of which that individual is the qualifying beneficiary and earlier qualifying business disposals made by that individual.
- (8) If, on the same day, there is both a disposal of trust business assets in respect of which an individual is the qualifying beneficiary and a qualifying business disposal by the individual, this section applies as if the disposal of trust business assets were later.
- (9) Any gain or loss taken into account under subsection (1) is not to be taken into account under this Act as a chargeable gain or an allowable loss.]

Textual Amendments

- F1** Pt. 5 Ch. 3 inserted (with effect in accordance with Sch. 3 para. 5 of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 3 para. 2](#) (with [Sch. 3 paras. 6-8](#))
- F2** S. 169N(2)-(4B) substituted for s. 169N(2)-(4) (with effect in accordance with Sch. 1 para. 14 of the amending Act) by [Finance \(No. 2\) Act 2010 \(c. 31\)](#), [Sch. 1 para. 5\(2\)](#)
- F3** Sum in s. 169N(4) substituted (with effect in accordance with s. 9(2) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [s. 9\(1\)\(a\)](#)
- F4** Sum in s. 169N(4A) substituted (with effect in accordance with s. 9(2) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [s. 9\(1\)\(b\)](#)

Status: Point in time view as at 19/07/2011. This version of this provision has been superseded.

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F5 Words in s. 169N(7) substituted (with effect in accordance with Sch. 1 para. 14 of the amending Act) by Finance (No. 2) Act 2010 (c. 31), **Sch. 1 para. 5(3)**

Status:

Point in time view as at 19/07/2011. This version of this provision has been superseded.

Changes to legislation:

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