



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART V

#### TRANSFER OF BUSINESS ASSETS<sup>[F1]</sup>, ENTREPRENEURS' RELIEF AND INVESTORS' RELIEF<sup>[F1]</sup>

#### [F1]CHAPTER 5

#### INVESTORS' RELIEF

#### *Reorganisations*

#### [F1]169VReorganisations where consideration given

- (1) This section applies where—
  - (a) there is a reorganisation within the meaning of section 126,
  - (b) immediately before the reorganisation, a qualifying person holds ordinary shares which, in relation to that reorganisation, are original shares within the meaning of section 126,
  - (c) on the reorganisation that person gives or becomes liable to give consideration for shares (“ shares issued for consideration ”) which—
    - (i) are issued to that person on the reorganisation, and
    - (ii) immediately after the reorganisation are in a new holding, and
  - (d) at a time after the reorganisation, there is a disposal of all or part of that new holding.
- (2) In this section a “new holding” means—
  - (a) the holding that immediately after the reorganisation is (in relation to the original shares) the new holding within the meaning of section 126, or
  - (b) where the new holding within the meaning of section 126 consists of two or more actual holdings, any of those actual holdings.

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**Status:** Point in time view as at 15/09/2016.

**Changes to legislation:** *Taxation of Chargeable Gains Act 1992, Section 169VP is up to date with all changes known to be in force on or before 16 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)*

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- (3) In determining, for any purpose of this Chapter, the status of shares that immediately before the disposal mentioned in subsection (1)(d) are in the new holding mentioned there—
- (a) the date of issue of the shares issued for consideration is to be taken to be their actual date of issue (rather than the date of issue of any of the original shares), and
  - (b) in relation to any part of the new holding for which consideration was not given, sections 169VN(3) to (6) and 169VO apply but as if any reference to the new holding concerned were to that part of the new holding.
- (4) Section 169VN(3) to (6) and 169VO also apply in relation to any other holding which is a new holding in relation to the reorganisation and as respects which the person did not, on the reorganisation, give or become liable to give any consideration.
- (5) In this section a reference to the “status” of a share is to whether it is qualifying, potentially qualifying or excluded.
- (6) References in this section to consideration are to be read in accordance with section 128(2).]

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**Textual Amendments**

**F1** Pt. 5 Ch. 5 inserted (15.9.2016) by [Finance Act 2016 \(c. 24\)](#), [Sch. 14 para. 2](#)

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