



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART VI

COMPANIES, OIL, INSURANCE ETC.

#### CHAPTER I

COMPANIES

*<sup>F1</sup>Restrictions on buying losses or gains etc*

#### **[<sup>F1</sup>184C Sections 184A and 184B: meaning of “qualifying change of ownership”**

- (1) For the purposes of sections 184A and 184B, there is a qualifying change of ownership in relation to a company at any time if any one or more of the following occur at that time—
  - (a) the company joins a group of companies (see subsections (2) to (5)),
  - (b) the company ceases to be a member of a group of companies,
  - (c) the company becomes subject to different control (see subsections (6) to (9)).
- (2) Whether a company is a member of a group of companies at any time is determined in accordance with section 170.
- (3) But, apart from in the excepted case, nothing in section 170(10) or (10A) is to prevent all the companies of one group from being regarded as joining another group when the principal company of the first group becomes a member of the other group at any time.
- (4) The excepted case is the case where—
  - (a) the persons owning the shares of the principal company of the first group immediately before that time are the same as the persons owning the shares of the principal company of the other group immediately after that time,
  - (b) the principal company of the other group was not the principal company of any group immediately before that time, and

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**Changes to legislation:** Taxation of Chargeable Gains Act 1992, Section 184C is up to date with all changes known to be in force on or before 26 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

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- (c) immediately after that time the principal company of the other group had assets consisting entirely (or almost entirely) of shares of the principal company of the first group.
- (5) For this purpose, references to shares of a company are to the shares comprised in the issued share capital of the company.
- (6) The general rule is that a company becomes subject to different control at any time if any one or more of the following occur—
- (a) a person has control of the company at that time (whether alone or together with one or more others) and the person did not previously have control of the company,
  - (b) a person has control of the company at that time together with one or more others and the person previously had control of the company alone,
  - (c) a person ceases to have control of the company at that time (whether the person had control alone or together with one or more others).
- (7) The general rule is subject to the following exceptions.
- (8) A company does not become subject to different control in any case where it joins a group of companies and the case is the excepted case mentioned above.
- (9) A company (“the subsidiary”) does not become subject to different control at any time in any case where—
- (a) immediately before that time the subsidiary is the 75 per cent. subsidiary of another company, and
  - (b) (although there is a change in the direct ownership of the subsidiary) that other company continues immediately after that time to own it as a 75 per cent. subsidiary.]

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#### Textual Amendments

- F1** Ss. 184A-184F and cross-heading inserted (with effect in accordance with s. 70(6)-(8) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), **s. 70(2)** (with s. 70(10)-(11))

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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](#)