



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART VII

#### OTHER PROPERTY, BUSINESSES, INVESTMENTS ETC.

##### *Leases*

#### **241** **Furnished holiday lettings.**

- (1) The following provisions of this section shall have effect with respect to the treatment for the purposes of tax on chargeable gains of the commercial letting of furnished holiday accommodation in the United Kingdom.
- (2) Section 504 of the Taxes Act (definitions relating to furnished holiday lettings) shall have effect for the purposes of this section as it has effect for the purposes of section 503 of that Act.
- (3) Subject to subsections (4) to (9) below, for the purposes of sections 152 to 157, 165 and 253 and [<sup>F1</sup>Schedule A1 <sup>F2</sup>...]—
  - [<sup>F3</sup>(a) any Schedule A business (within the meaning of the Taxes Act) which consists in the commercial letting of furnished holiday accommodation in the United Kingdom shall be treated as a trade, and]
  - (b) all such lettings made by a particular person or partnership or body of persons shall be treated as one trade.
- (4) Subject to subsection (5) below, for the purposes of the sections mentioned in subsection (3) above as they apply by virtue of this section, where in any chargeable period a person makes a commercial letting of furnished holiday accommodation—
  - (a) the accommodation shall be taken to be used in that period only for the purposes of the trade of making such lettings; and
  - (b) that trade shall be taken to be carried on throughout that period.

*Status: Point in time view as at 31/07/1998. This version of this provision has been superseded.*

*Changes to legislation: Taxation of Chargeable Gains Act 1992, Section 241 is up to date with all changes known to be in force on or before 15 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)*

- (5) Subsection (4) above does not apply to any part of a chargeable period during which the accommodation is neither let commercially nor available to be so let unless it is prevented from being so let or available by any works of construction or repair.
- (6) Where—
- (a) a gain to which section 222 applies accrues to any individual on the disposal of an asset; and
  - (b) by virtue of subsection (3) above the amount or value of the consideration for the acquisition of the asset is treated as reduced under section 152 or 153,
- the gain to which section 222 applies shall be reduced by the amount of the reduction mentioned in paragraph (b) above.
- (7) Where there is a letting of accommodation only part of which is holiday accommodation such apportionments shall be made for the purposes of this section as [<sup>F4</sup>are] just and reasonable.
- (8) Where a person has been charged to tax in respect of chargeable gains otherwise than in accordance with the provisions of this section, such assessment, reduction or discharge of an assessment or, where a claim for repayment is made, such repayment, shall be made as may be necessary to give effect to those provisions.

#### **Textual Amendments**

- F1** Words in s. 241(3) substituted (with effect in accordance with s. 121(4) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 21 para. 8](#)
- F2** Words in s. 241(3) repealed (with effect in relation to disposals in the year 2003-04 and subsequent years of assessment in accordance with Sch. 27 Pt. III(31) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 27 Pt. III\(31\)](#)
- F3** S. 241(3)(a) substituted (with effect in accordance with s. 38 of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 5 para. 62](#) (with [Sch. 5 para. 73](#))
- F4** Word in s. 241(7) substituted (with effect in accordance with s. 134(2) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 20 para. 62](#)

#### **Modifications etc. (not altering text)**

- C1** S. 241(3) modified (with effect in accordance with s. 39(4)(a)(5) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), s. 39(3), [Sch. 6 para. 36](#)

**Status:**

Point in time view as at 31/07/1998. This version of this provision has been superseded.

**Changes to legislation:**

Taxation of Chargeable Gains Act 1992, Section 241 is up to date with all changes known to be in force on or before 15 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.