



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART VII

OTHER PROPERTY, BUSINESSES, INVESTMENTS ETC.

Miscellaneous reliefs and exemptions

[^{F1}263E Structured finance arrangements

- (1) This section applies if—
 - (a) section 774B of the Taxes Act (disregard of intended effects of arrangement involving disposals of assets) applies in relation to a structured finance arrangement,
 - (b) the borrower or a person connected with the borrower makes a disposal of any security at any time under the arrangement to or for the benefit of the lender or a person connected with the lender, and
 - (c) condition A or B is met.
- (2) Condition A is that the person making the disposal [^{F2}(and no-one else) has the right or obligation under the arrangement to acquire the asset disposed of by that disposal at any subsequent time (whether or not the right or obligation is subject to any conditions).]
- (3) Condition B is that—
 - (a) the asset disposed of by that disposal [^{F3}will subsequently cease] to exist at any time, and
 - (b) [^{F4}it is intended that that asset will be held] by the lender, or a person connected with the lender, from the time of the disposal until that time.
- (4) The disposal of the security by the borrower or a person connected with the borrower is to be disregarded for the purposes of this Act.

[If, at any time after that disposal, it becomes apparent that—
^{F5}(4A)

Status: Point in time view as at 19/07/2007. This version of this provision has been superseded.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Section 263E 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)

- (a) the person making the disposal will not subsequently acquire under the arrangement the asset disposed of by that disposal, or
- (b) that asset will not be held as mentioned in subsection (3)(b),
- that person is to be treated for the purposes of this Act as disposing of that asset at that time for a consideration equal to its market value at that time.]
- (5) [^{F6}Except in a case falling within subsection (4A), any] subsequent acquisition by the person making the disposal of the asset disposed of by that disposal is to be disregarded for the purposes of this Act.
- (6) In this section—
- “the borrower”, in relation to a structured finance arrangement, means the person who is the borrower under the arrangement for the purposes of section 774A of the Taxes Act,
- “the lender”, in relation to a structured finance arrangement, means the person who is the lender under the arrangement for the purposes of that section,
- “security” means any such asset as is mentioned in subsection (2)(c) and (d) of that section.
- (7) For the purposes of this section—
- (a) references to a person connected with the borrower do not include the lender, and
- (b) references to a person connected with the lender do not include the borrower.]

Textual Amendments

- F1** S. 263E inserted (with effect in accordance with Sch. 6 para. 9(2)(3) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 6 para. 9\(1\)](#)
- F2** Words in s. 263E(2) substituted (with effect in accordance with Sch. 5 para. 8(6)(7) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 5 para. 8\(2\)](#)
- F3** Words in s. 263E(3)(a) substituted (with effect in accordance with Sch. 5 para. 8(6)(7) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 5 para. 8\(3\)\(a\)](#)
- F4** Words in s. 263E(3)(b) substituted (with effect in accordance with Sch. 5 para. 8(6)(7) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 5 para. 8\(3\)\(b\)](#)
- F5** S. 263E(4A) inserted (with effect in accordance with Sch. 5 para. 8(6)(7) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 5 para. 8\(4\)](#)
- F6** Words in s. 263E(5) substituted (with effect in accordance with Sch. 5 para. 8(6)(7) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 5 para. 8\(5\)](#)

Status:

Point in time view as at 19/07/2007. This version of this provision has been superseded.

Changes to legislation:

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