



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART VIII

SUPPLEMENTAL

281 Payment by instalments of tax on gifts

- (1) Subsection (2) below applies where—
 - (a) the whole or any part of any assets to which this section applies is disposed of by way of gift or is deemed to be disposed of under section 71(1) or 72(1), and
 - (b) the disposal is one—
 - (i) to which neither section 165(4) nor section 260(3) applies (or would apply if a claim were duly made), or
 - (ii) to which either of those sections does apply but on which the held-over gain (within the meaning of the section applying) is less than the chargeable gain which would have accrued on that disposal apart from that section.
- (2) Where this subsection applies, the capital gains tax chargeable on a gain accruing on the disposal may, if the person paying it by notice to the inspector so elects, be paid by 10 equal yearly instalments.
- (3) The assets to which this section applies are—
 - (a) land or an estate or interest in land,
 - (b) any shares or securities of a company which, immediately before the disposal, gave control of the company to the person by whom the disposal was made or deemed to be made, and
 - (c) any shares or securities of a company not falling under paragraph (b) above and not quoted on a recognised stock exchange nor dealt in on the Unlisted Securities Market.
- (4) Where tax is payable by instalments by virtue of this section, the first instalment shall be due on the day on which the tax would be payable apart from this section.

- (5) Subject to the following provisions of this section—
- (a) tax payable by instalments by virtue of this section shall carry interest in accordance with Part IX (except section 88) of the Management Act, and
 - (b) the interest on the unpaid portion of the tax shall be added to each instalment and paid accordingly.
- (6) Tax payable by instalments by virtue of this section which is for the time being unpaid, with interest to the date of payment, may be paid at any time.
- (7) Tax which apart from this subsection would be payable by instalments by virtue of this section and which is for the time being unpaid, with interest to the date of payment, shall become due and payable immediately if—
- (a) the disposal was by way of gift to a person connected with the donor or was deemed to be made under section 71(1) or 72(1), and
 - (b) the assets are disposed of for valuable consideration under a subsequent disposal (whether or not the subsequent disposal is made by the person who acquired them under the first disposal).