



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART VIII

#### SUPPLEMENTAL

#### 288 Interpretation.

(1) In this Act, unless the context otherwise requires—

“the 1979 Act” means the <sup>M1</sup>Capital Gains Tax Act 1979;

<sup>F1</sup> . . . . .

“allowable loss” shall be construed in accordance with sections 8(2)<sup>[F2]</sup>, 16<sup>[F3]</sup>, 16A<sup>[F4]</sup>, 261B, 261D<sup>[F4]</sup> and 263ZA<sup>[F4]</sup>;

“the Board” means the Commissioners of Inland Revenue;

“building society” has the same meaning as in the <sup>M2</sup>Building Societies Act 1986;

<sup>[F5]</sup>“the Capital Allowances Act” means the Capital Allowances Act 2001<sup>[F5]</sup>;

“chargeable period” means a year of assessment or an accounting period of a company for purposes of corporation tax;

“class”, in relation to shares or securities, means a class of shares or securities of any one company;

“close company” has the meaning given by sections 414 and 415 of the Taxes Act;

“collective investment scheme” has the <sup>[F6]</sup>meaning given by section 235 of the Financial Services and Markets Act 2000<sup>[F7]</sup> (subject to section 99A<sup>[F7]</sup>);

“company” includes any body corporate or unincorporated association but does not include a partnership, and shall be construed in accordance with <sup>[F8]</sup>sections 99 and 103A<sup>[F8]</sup>;

“control” shall be construed in accordance with section 416 of the Taxes Act;

<sup>[F9]</sup>“CTA 2009” means the Corporation Tax Act 2009<sup>[F9]</sup>;

“double taxation relief arrangements” means, in relation to a company, arrangements having effect by virtue of section 788 of the Taxes Act and, in

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relation to any other person, means arrangements having effect by virtue of that section as extended to capital gains tax by section 277;

“dual resident investing company” has the meaning given by section 404 of the Taxes Act;

“inspector” means any inspector of taxes;

“investment trust” has the meaning given by section 842 of the Taxes Act;

[<sup>F10</sup>“ITEPA 2003” means the Income Tax (Earnings and Pensions) Act 2003;]

[<sup>F11</sup>“ITTOIA 2005” means the Income Tax (Trading and Other Income) Act 2005;]

[<sup>F12</sup>“ITA 2007” means the Income Tax Act 2007;]

“land” includes messuages, tenements, and hereditaments, houses and buildings of any tenure;

“local authority” has the meaning given by [<sup>F13</sup>section 999 of ITA 2007];

“the Management Act” means the <sup>M3</sup>Taxes Management Act 1970;

[<sup>F14</sup>“net income” has the same meaning as in the Income Tax Acts (see section 989 of ITA 2007);]

“notice” means notice in writing;

[<sup>F15</sup>“period of account” has the meaning given by [<sup>F16</sup>section 989 of ITA 2007];]

[<sup>F17</sup>“permanent establishment”, in relation to a company, has the meaning given by section 148 of the Finance Act 2003;]

[<sup>F18</sup>“personal representatives” has the same meaning as in Chapter 3 of Part 10 of CTA 2009 (see section 968 of that Act);]

[<sup>F19</sup>“property investment LLP” has the meaning given by [<sup>F20</sup>section 1004 of ITA 2007];]

“recognised stock exchange” has the meaning given by [<sup>F21</sup>section 1005 of ITA 2007];

[<sup>F22</sup>“registered pension scheme” has the meaning given by section 150(2) of the Finance Act 2004;]

[<sup>F23</sup>“Registrar of Government Stock” means the person or persons appointed in accordance with regulations under section 47(1)(b) of the Finance Act 1942 (see regulation 3 of the Government Stock Regulations 2004);]

“shares” includes stock;

[<sup>F24</sup>“stepchild”, in relation to a civil partner, shall be construed in accordance with section 246 of the Civil Partnership Act 2004;]

“the Taxes Act” means the <sup>M4</sup>Income and Corporation Taxes Act 1988;

[<sup>F25</sup>“TIOPA 2010” means the Taxation (International and Other Provisions) Act 2010;]

“trade” has the same meaning as in the Income Tax Acts;

“trading stock” has the meaning given by [<sup>F26</sup>section 163 of CTA 2009];

[<sup>F27</sup>“the tribunal” means the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal;]

[<sup>F28</sup>“UK property business” means—

- (a) a UK property business within the meaning of the Income Tax Acts (see section 989 of ITA 2007), or

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(b) a UK property business within the meaning of the enactments relating to corporation tax (see section 834B of the Taxes Act);]

[<sup>F29</sup>“venture capital trust” has [<sup>F30</sup>the same meaning as in Part 6 of ITA 2007];]

“wasting asset” has the meaning given by section 44 and paragraph 1 of Schedule 8;

[<sup>F31</sup>“year of assessment” means tax year;]

and any reference to a particular section, Part or Schedule is a reference to that section or Part of, or that Schedule to, this Act.

[<sup>F32</sup>(1ZA) In this Act and other enactments relating to capital gains tax “tax year” means a year beginning on 6 April and ending on the following 5 April; and “the tax year 2008-09” means the tax year beginning on 6 April 2008 (and any corresponding expression in which two years are similarly mentioned is to be read in the same way).]

[<sup>F33</sup>(1A) If any employment-related securities option would not otherwise be regarded as an option for the purposes of this Act, it shall be so regarded; and the acquisition of securities by an associated person pursuant to an employment-related securities option is to be treated for the purposes of this Act as the exercise of the option.

[<sup>F34</sup>In this subsection “employment-related securities option” means a securities option within the meaning of Chapter 5 of Part 7 of ITEPA 2003 (see section 420(8) of that Act) to which that Chapter applies or would, apart from section 474 of that Act, apply (see section 471 of that Act); and other expressions used in this subsection and that Chapter have the same meaning in this subsection as in that Chapter.]]

(2) In this Act “retail prices index” has the same meaning as in the Income Tax Acts and, accordingly, any reference in this Act to the retail prices index shall be construed in accordance with [<sup>F35</sup>section 989 of ITA 2007].

(3) References in this Act to [<sup>F36</sup>an individual living with his spouse or civil partner] shall be construed in accordance with [<sup>F37</sup>section 1011 of ITA 2007].

[<sup>F38</sup>(3A) For the purposes of this Act, the following are “the no gain/no loss provisions”—

- (a) sections 58, 73, 139, 140A, 140E, 171, 211, 215, 216, 217A, 218 to 221, 257(3), 258(4), 264 and 267(2) of this Act;
- (b) section 148 of the 1979 Act;
- (c) section 148 of the Finance Act 1982;
- (d) section 130(3) of the Transport Act 1985;
- (e) section 486(8) of the Taxes Act;
- (f) paragraph 2(1) of Schedule 7 to the Broadcasting Act 1996;
- (g) paragraphs 3 and 9 of Schedule 26 to the Transport Act 2000;
- (h) paragraphs 3, 18, 29 and 32 of Schedule 9 to the Energy Act 2004;
- (i) paragraph 9 of Schedule 4 to the Consumers, Estate Agents and Redress Act 2007.

[<sup>F39</sup>(j) Schedule 7 to the Housing and Regeneration Act 2008.]]

[<sup>F40</sup>(4) . . . . .]

(5) For the purposes of this Act, shares or debentures comprised in any letter of allotment or similar instrument shall be treated as issued unless the right to the shares or

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debentures thereby conferred remains provisional until accepted and there has been no acceptance.

[<sup>F41</sup>(5A) References in this Act to shares or securities which are listed on a recognised stock exchange shall be construed in accordance with subsections (3) and (4) of section 1005 of ITA 2007.

(5B) References in this Act to shares or securities which are included in the official UK list shall be construed in accordance with subsection (5) of that section.]

(6) In this Act “recognised futures exchange” means the London International Financial Futures Exchange and any other futures exchange which is for the time being designated for the purposes of this Act by order made by the Board.

(7) An order made by the Board under subsection (6) above—

- (a) may designate a futures exchange by name or by reference to any class or description of futures exchanges, including, in the case of futures exchanges in a country outside the United Kingdom, a class or description framed by reference to any authority or approval given in that country; and
- (b) may contain such transitional and other supplemental provisions as appear to the Board to be necessary or expedient.

[<sup>F42</sup>(7A) In the application of this Act to Scotland “surrender” includes renunciation.]

[<sup>F43</sup>(7B) For the purposes of this Act, a person is Treaty non-resident at any time if, at that time, he falls to be regarded as resident in a territory outside the United Kingdom for the purposes of double taxation relief arrangements having effect at that time.]

(8) The Table below indexes other general definitions in this Act.

<i>Expression defined</i>	<i>Reference</i>
“Absolutely entitled as against the trustee”	S.60(2)
[ <sup>F44</sup> “Authorised corporate director”	S.272(5AB) (as that provision is inserted by regulation 22(b) of the Open-ended Investment Companies (Tax) Regulations 1997)]
“Authorised unit trust”	S.99
“Branch or agency”	S.10(6)
“Chargeable gain”	S.15(2)
“Connected”, in references to persons being connected with one another	S.286
“Court investment fund”	S.100
“Gilt-edged securities”	Sch.9
“Indexation allowance”	S.53
“Lease” and cognate expressions	Sch.8 para.10(1)
“Legatee”	S.64(2),(3)
“Market value”	S.272 to 274 and Sch.11

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[ <sup>F45</sup> “Open-ended investment company”	S.99 (as that section is modified by regulation 20 of the Open-ended Investment Companies (Tax) Regulations 1997)]
“Part disposal”	S.21(2)
[ <sup>F46</sup> “Principal settlement”	Sch.4ZA para. 1]
“Qualifying corporate bond”	S.117
“Relevant allowable expenditure”	S.53
“Resident” and “ordinarily resident”	S.9(1)
“Settled property”	S.68
[ <sup>F46</sup> “Settlor”	S.68A]
[ <sup>F46</sup> “Settlor of property”	S.68A]
[ <sup>F46</sup> “Sub-fund”	Sch.4ZA para. 1]
[ <sup>F46</sup> “Sub-fund election”	Sch.4ZA para. 2]
[ <sup>F46</sup> “Sub-fund settlement”	Sch.4ZA para. 1]
“Unit trust scheme” [ <sup>F47</sup> and “unit holder”]	[ <sup>F48</sup> ss 99 and 99A]

### Textual Amendments

- F1** Words in s. 288(1) repealed (22.3.2001) by [Capital Allowances Act 2001 \(c. 2\)](#), [Sch. 2 para. 80](#), [Sch. 4](#)
- F2** Words in s. 288(1) substituted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 6 para. 219\(2\)](#) (with [Sch. 7](#))
- F3** Word in s. 288(1) inserted (with effect in accordance with s. 27(6) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [s. 27\(4\)](#)
- F4** Words in s. 288(1) inserted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 342\(2\)\(a\)](#) (with [Sch. 2](#))
- F5** Words in s. 288(1) inserted (22.3.2001) by [Capital Allowances Act 2001 \(c. 2\)](#), [Sch. 2 para. 80](#)
- F6** Words in s. 288(1) substituted (1.12.2001) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), arts. 1(2)(a), [70](#)
- F7** Words in s. 288(1) inserted (with effect in accordance with s. 118(5) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [s. 118\(4\)\(a\)](#)
- F8** Words in s. 288(1) substituted (with effect in accordance with [Sch. 22 para. 12](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 22 para. 10](#); S.I. 2010/670, art. 2
- F9** Words in s. 288(1) inserted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 1 para. 385\(a\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F10** Words in s. 288(1) inserted (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 6 para. 219\(3\)](#) (with [Sch. 7](#))
- F11** Words in s. 288(1) inserted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 447\(2\)](#) (with [Sch. 2](#))
- F12** Words in s. 288(1) inserted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 342\(2\)\(b\)](#) (with [Sch. 2](#))
- F13** Words in s. 288(1) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 342\(2\)\(c\)](#) (with [Sch. 2](#))
- F14** Words in s. 288(1) inserted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 342\(2\)\(d\)](#) (with [Sch. 2](#))

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- F15** Words in s. 288(1) inserted (with effect in accordance with s. 103(6) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), **s. 103(3)**
- F16** Words in s. 288(1) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 342(2)(e)** (with [Sch. 2](#))
- F17** Words in s. 288(1) inserted (10.7.2003) by [Finance Act 2003 \(c. 14\)](#), **s. 148(7)**
- F18** Words in s. 288(1) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 1 para. 385(b)** (with [Sch. 2 Pts. 1, 2](#))
- F19** Words in s. 288(1) inserted (with effect in accordance with s. 76(1) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), s. 76(2), **Sch. 25 para. 1(3)** (with [Sch. 3](#))
- F20** Words in s. 288(1) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 342(2)(f)** (with [Sch. 2](#))
- F21** Words in s. 288(1) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 342(2)(g)** (with [Sch. 2](#))
- F22** Words in s. 288(1) inserted (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), s. 284(1), **Sch. 35 para. 41** (with [Sch. 36](#))
- F23** Words in s. 288(1) inserted (15.11.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No.3\) Order 2004 \(S.I. 2004/2744\)](#), art. 1, **Sch. para. 3(3)** (with art. 3)
- F24** Words in s. 288(1) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), regs. 1(1), **122(a)**
- F25** Words in s. 288(1) inserted (18.3.2010) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(2)(c), **Sch. 8 para. 319** (with [Sch. 9 paras. 1-9, 22](#))
- F26** Words in s. 288(1) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 1 para. 385(c)** (with [Sch. 2 Pts. 1, 2](#))
- F27** Words in s. 288(1) inserted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 184**
- F28** Words in s. 288(1) inserted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 1 para. 385(d)** (with [Sch. 2 Pts. 1, 2](#))
- F29** Words in s. 288(1) inserted (with effect in accordance with s. 72(8) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **s. 72(7)**
- F30** Words in s. 288(1) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 342(2)(h)** (with [Sch. 2](#))
- F31** Words in s. 288(1) substituted (21.7.2008) by [Finance Act 2008 \(c. 9\)](#), **Sch. 2 para. 101(2)**
- F32** S. 288(1ZA) inserted (21.7.2008) by [Finance Act 2008 \(c. 9\)](#), **Sch. 2 para. 101(3)**
- F33** S. 288(1A) inserted (with effect in accordance with [Sch. 22 para. 54\(2\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), **Sch. 22 para. 54(1)**
- F34** Words in s. 288(1A) substituted (with effect in accordance with [Sch. 5 para. 6\(2\)](#) of the amending Act) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), **Sch. 5 para. 5(2)**
- F35** Words in s. 288(2) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 342(3)** (with [Sch. 2](#))
- F36** Words in s. 288(3) substituted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), regs. 1(1), **122(b)**
- F37** Words in s. 288(3) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 342(4)** (with [Sch. 2](#))
- F38** S. 288(3A) inserted (with effect in accordance with [Sch. 2 para. 71](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), **Sch. 2 para. 63**
- F39** S. 288(3A)(j) inserted (E.W.) (1.12.2008) by [The Housing and Regeneration Act 2008 \(Consequential Provisions\) Order 2008 \(S.I. 2008/3002\)](#), art. 1(2), **Sch. 1 para. 43** (with [Sch. 2](#)) (see [S.I. 2008/3068](#), art. 2(1)(b))
- F40** S. 288(4) repealed (with effect in accordance with [Sch. 41 Pt. VIII\(3\)](#) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), **Sch. 41 Pt. VIII(3)**
- F41** S. 288(5A)(5B) inserted (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), **Sch. 26 para. 3**
- F42** S. 288(7A) inserted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), **Sch. 1 para. 447(3)** (with [Sch. 2](#))

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- F43** S. 288(7B) inserted (with effect in accordance with s. 74(6) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 74\(3\)](#)
- F44** Words in s. 288(8) inserted (28.4.1997) by [The Open-ended Investment Companies \(Tax\) Regulations 1997 \(S.I. 1997/1154\), regs. 1\(1\), 23\(a\)](#)
- F45** Words in s. 288(8) inserted (28.4.1997) by [The Open-ended Investment Companies \(Tax\) Regulations 1997 \(S.I. 1997/1154\), regs. 1\(1\), 23\(b\)](#)
- F46** Words in s. 288(8) inserted (retrospective to 6.4.2006) by [Finance Act 2006 \(c. 25\), Sch. 12 para. 26\(1\)\(2\)](#)
- F47** Words in s. 288(8) inserted (with effect in accordance with s. 118(5) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 118\(4\)\(b\)\(i\)](#)
- F48** Words in s. 288(8) substituted (with effect in accordance with s. 118(5) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 118\(4\)\(b\)\(ii\)](#)

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

- C1** S. 288(3A) extended (1.1.2010) by [The Northern Rock plc \(Tax Consequences\) Regulations 2009 \(S.I. 2009/3227\), regs. 1, 3\(2\)](#)

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**Marginal Citations**

- M1** 1979 c. 14.  
**M2** 1986 c. 53.  
**M3** 1970 c. 9.  
**M4** 1988 c. 1.

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