



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART II

GENERAL PROVISIONS RELATING TO COMPUTATION OF GAINS AND ACQUISITIONS AND DISPOSALS OF ASSETS

CHAPTER III

COMPUTATION OF GAINS: GENERAL PROVISIONS

Allowable deductions

[^{F1}37B Consideration on certain disposals: structures and buildings allowances

- (1) This section applies on the disposal of an asset by a person if—
 - (a) the asset is an interest in a building or structure which is “an interest in UK land” (as defined in section 1C) or an equivalent interest in land outside the United Kingdom,
 - (b) the person is, or has been, entitled to an allowance under Part 2A of CAA 2001 (“the structures and buildings allowance”) by reference to the building or structure, and
 - (c) the expenditure by reference to which the structures and buildings allowance has been made is allowable under section 38 as a deduction from the consideration in the computation of the gain on the disposal.
- (2) In determining the amount of any gain accruing to the person making the disposal (the “transferor”) the consideration for the disposal is treated as being increased by an amount equal to the amount of the structures and buildings allowance that has been made to the transferor.
- (3) If the disposal is—
 - (a) a disposal on which, by virtue of any of the no gain/no loss provisions, neither a gain nor a loss accrues to the person making the disposal,

Changes to legislation: *Taxation of Chargeable Gains Act 1992, Section 37B is up to date with all changes known to be in force on or before 15 June 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*

- (b) a disposal in respect of which section 162 (roll-over relief on transfer of business) applies for the purposes of computing the gain on the disposal, or
- (c) a deemed disposal under section 579(4) of CTA 2010 (real estate investment trusts: cessation),

the person who acquires the asset (the “transferee”) is treated, for the purposes of determining the amount of the gain accruing on any subsequent disposal of the asset by the transferee, as if the amount of structures and buildings allowance made to the transferor (see subsection (2)) had been made to the transferee.

(4) Subsection (2)—

- (a) is to be applied after the other provisions of this Act which apply for the purposes of determining the amount of the consideration deemed to be given for the disposal of assets, and
- (b) is subject to subsections (5) to (7).

(5) If section 45(3) or 47(2) applies in relation to the disposal, subsection (2) applies in relation to the part of the consideration apportioned in the same proportion as the expenditure qualifying for capital allowances.

(6) Subsection (7) applies in relation to the disposal if the asset mentioned in subsection (1) is—

- (a) a leasehold interest by reference to which section 270DD of CAA 2001 (leases granted for 35 years or more) applies, and
- (b) a wasting asset for the purposes of this Act.

(7) For the purposes of subsection (2), the amount of the structures and buildings allowance is to be treated as if it were an amount of expenditure attributable to the asset under section 38(1) and, accordingly, as if it had been reduced at the same rate at which that expenditure is written off in accordance with paragraph 1(3) and (4) of Schedule 8 (leases of land as wasting assets).

(8) The reference in subsection (1)(b) to an allowance under Part 2A of CAA 2001 includes a reference to a contribution allowance made by reason of the application of sections 537 and 538A of that Act (contribution allowances: structures and buildings allowances).]

Textual Amendments

- F1** [S. 37B](#) inserted (5.7.2019) by [The Capital Allowances \(Structures and Buildings Allowances\) Regulations 2019 \(S.I. 2019/1087\)](#), regs. 1, **4(4)**

Changes to legislation:

Taxation of Chargeable Gains Act 1992, Section 37B is up to date with all changes known to be in force on or before 15 June 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.

[View outstanding changes](#)

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](#)