



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 IV

COMPUTATION OF GAINS: THE INDEXATION ALLOWANCE

General

56 Part disposals and disposals on a no-gain/no-loss basis.

- (1) For the purpose of determining the indexation allowance (if any) on the occasion of a part disposal of an asset, the apportionment under section 42 of the sums which make up the relevant allowable expenditure shall be effected before the application of section 54 and, accordingly, in relation to a part disposal—
 - (a) references in section 54 to an item of expenditure shall be construed as references to that part of that item which is so apportioned for the purposes of the computation of the unindexed gain or loss on the part disposal; and
 - (b) no indexation allowance shall be determined by reference to the part of each item of relevant allowable expenditure which is apportioned to the property which remains undisposed of.
- (2) On the disposal of an asset which, by virtue of any enactment, is treated as one on which neither a gain nor a loss accrues to the person making the disposal (“the transferor”)—
 - (a) the amount of the consideration shall be calculated for the purposes of this Act on the assumption that, on the disposal, an unindexed gain accrues to the transferor which is equal to the indexation allowance on the disposal, and

Status: Point in time view as at 06/04/1992. This version of this provision has been superseded.

Changes to legislation: Taxation of Chargeable Gains Act 1992, Section 56 is up to date with all changes known to be in force on or before 29 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)

- (b) the disposal shall accordingly be one on which, after taking account of the indexation allowance, neither a gain nor a loss accrues;
- and for the purposes of the application of sections 53 and 54 there shall be disregarded so much of any enactment as provides that, on the subsequent disposal of the asset by the person acquiring the asset on the disposal (“the transferee”), the transferor’s acquisition of the asset is to be treated as the transferee’s acquisition of it.

Status:

Point in time view as at 06/04/1992. This version of this provision has been superseded.

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