

*Status: Point in time view as at 28/09/2000.*

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, SCHEDULE 21. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 21

Section 135.

#### SELF-ASSESSMENT: TIME LIMITS

##### *The Taxes Act 1988*

- 1 In section 62A(3) of the Taxes Act 1988 (time limit for giving notice of a change of basis period) for the words following “The second condition is” there shall be substituted—
- “(a) in the case of a trade, profession or vocation carried on by an individual, that notice of the accounting change is given to an officer of the Board in a return under section 8 of the Management Act on or before the day on which that return is required to be made and delivered under that section;
  - (b) in the case of a trade, profession or vocation carried on by persons in partnership, that notice of the accounting change is given to an officer of the Board in a return under section 12AA of that Act on or before the day specified in relation to that return under subsection (2) or (3) of that section.”
- 2 (1) Section 84 of the Taxes Act 1988 (relief for gifts to educational establishments) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (3), in the words following paragraph (b) (relief not available unless donor makes claim within two years of making the gift) for “two years of making the gift” there shall be substituted “ the period specified in subsection (3A) below ”.
- (3) After that subsection there shall be inserted—
- “(3A) The period mentioned in subsection (3) above is—
    - (a) in the case of a claim with respect to income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in whose basis period the gift is made;
    - (b) in the case of a claim with respect to corporation tax, the period of two years beginning at the end of the accounting period in which the gift is made.
  - (3B) In paragraph (a) of subsection (3A) above “basis period” means—
    - (a) in relation to a year of assessment for which a basis period is given by sections 60 to 63, that basis period,
    - (b) in relation to a year of assessment for which no basis period is given by those sections, the year of assessment.”
- 3 (1) Section 101 of the Taxes Act 1988 (valuation of work in progress at discontinuance of profession or vocation) shall be amended in accordance with the following provisions of this paragraph.

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- (2) In subsection (2) (election may be made within 12 months after discontinuance) for “12 months after the discontinuance” there shall be substituted “ the period specified in subsection (2A) below ”.
- (3) After that subsection there shall be inserted—
- “(2A) The period mentioned in subsection (2) above is—
- (a) in the case of an election for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which the profession or vocation is discontinued;
- (b) in the case of an election for the purposes of corporation tax, the period of two years beginning at the end of the accounting period in which the profession or vocation is discontinued.”
- 4 In section 257BB(5)(a) of the Taxes Act 1988 (notice to be given not later than six years after the end of the year of assessment to which it relates) for “not later than six years after” there shall be substituted “ on or before the fifth anniversary of the 31st January next following ”.
- [<sup>F15</sup> In section 257D(9)(a) of the Taxes Act 1988 (notice to be given not later than six years after the end of the year of assessment to which it relates) for “not later than six years after” there shall be substituted “ on or before the fifth anniversary of the 31st January next following ”.]

#### Textual Amendments

- F1** Sch. 21 para. 5 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(3), Note 2 of the amending Act) by 1999 c. 16, s. 139, Sch. 20 Pt. III(3)

- 6 In section 265(5)(a) of the Taxes Act 1988 (notice to be given not later than six years after the end of the year of assessment to which it relates) for “not later than six years after” there shall be substituted “ on or before the fifth anniversary of the 31st January next following ”.
- 7 In section 306(1) of the Taxes Act 1988 (claim for relief in respect of eligible shares) as it has effect in relation to shares issued on or after 1st January 1994 (the enterprise investment scheme) for paragraph (b) (claim to be made not later than twelve months after the inspector authorises the issue of a certificate) there shall be substituted—
- “(b) not later than the fifth anniversary of the 31st January next following that year of assessment”.
- [<sup>F28</sup> (1) Section 356B of the Taxes Act 1988 (residence basis: married couples) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (2)(a) (election to be made before the end of the period of twelve months beginning with the end of the first year of assessment for which it is made or such longer period as the Board may in any particular case allow) for the words following “shall be made” there shall be substituted
- (i) the first anniversary of the 31st January next following the first year of assessment for which it is made, or
- (ii) such later date as the Board may in any particular case allow”.

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- (3) In subsection (4)(b) (notice of withdrawal not to be given after the end of the period of twelve months beginning with the end of the first year of assessment for which it is given or such longer period as the Board may in any particular case allow) for the words following “shall not be given after” there shall be substituted—
- “(i) the first anniversary of the 31st January next following the year of assessment for which it is given, or
  - (ii) such later date as the Board may in any particular case allow, and”.]

#### Textual Amendments

- F2** Sch. 21 para. 8 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(7), Note 4 of the amending Act) by 1999 c. 16, s. 139, Sch. 20 Pt. III(7)

- [<sup>F3</sup>9 In section 356C(6) of the Taxes Act 1988, for paragraph (a) (election to have effect for the period in which it is made and subsequent periods) there shall be substituted—
- “(a) shall be made on or before the first anniversary of the 31st January next following the year of assessment in which falls the first period for which it is made and shall have effect for that period and subsequent periods.”.]

#### Textual Amendments

- F3** Sch. 21 para. 9 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(7), Note 4 of the amending Act) by 1999 c. 16, s. 139, Sch. 20 Pt. III(7)

- 10 In section 381(1) of the Taxes Act 1988 (claim to be made by notice given within two years after year of assessment in which loss sustained) for “within two years after” there shall be substituted “ on or before the first anniversary of the 31st January next following ”.
- 11 In section 392(5) of the Taxes Act 1988 (claim to be made within six years after the year of assessment in question)—
- (a) for “within six years after” there shall be substituted “ on or before the fifth anniversary of the 31st January next following ”; and
  - (b) for “not later than six years after” there shall be substituted “ on or before the fifth anniversary of the 31st January next following ”.
- [<sup>F4</sup>12 In section 471 of the Taxes Act 1988 (exchange of securities in connection with conversion operations, nationalisation etc.) for subsection (2) (tax treatment under subsection (1) not to apply to a person who gives notice to the inspector that he desires not to be treated as mentioned in that subsection) there shall be substituted—
- “(2) Subsection (1) above shall not apply to a person who elects, by notice given to an officer of the Board, not to be treated as mentioned in that subsection.
- (2A) A notice under subsection (2) above—
- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in whose basis period the exchange takes place;

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- (b) for the purposes of corporation tax, shall be given no later than two years after the end of the accounting period in which the exchange takes place.

(2B) In paragraph (a) of subsection (2A) above “basis period” means—

- (a) in relation to a year of assessment for which a basis period is given by sections 60 to 63, that basis period;
- (b) in relation to a year of assessment for which no basis period is given by those sections, the year of assessment.”]

#### Textual Amendments

**F4** Sch. 21 para. 12 repealed (31.7.1998 with effect as mentioned in s. 101(3) of the amending Act) by 1998 c. 36, s. 165, Sch. 27 Pt. III(23), Note 1

[<sup>F5</sup>13 (1) In section 472 of the Taxes Act 1988 (distribution of securities issued in connection with nationalisation etc.) in subsection (1) (dealer to be treated for tax purposes in the manner specified in subsections (2) and (3), unless he gives notice to the inspector that he desires not to be so treated) for “gives notice to the inspector not later than two years after the end of the chargeable period in which the distribution takes place that he desires” there shall be substituted “ elects, by notice given to an officer of the Board, ”.

(2) After subsection (3) of that section there shall be inserted—

“(3A) A notice under subsection (1) above—

- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in whose basis period the distribution takes place;
- (b) for the purposes of corporation tax, shall be given no later than two years after the end of the accounting period in which the distribution takes place.

(3B) In paragraph (a) of subsection (3A) above “basis period” means—

- (a) in relation to a year of assessment for which a basis period is given by sections 60 to 63, that basis period;
- (b) in relation to a year of assessment for which no basis period is given by those sections, the year of assessment.”]

#### Textual Amendments

**F5** Sch. 21 para. 13 repealed (31.7.1998 with effect as mentioned in s. 101(4) of the amending Act) by 1998 c. 36, s. 165, Sch. 27 Pt. III(23), Note 2

14 (1) Section 504 of the Taxes Act 1988 shall be amended in accordance with the following provisions of this paragraph.

(2) In subsection (6) (claim to be made within two years after the year of assessment or accounting period in which holiday accommodation is let) for “two years after that year or period” there shall be substituted “ the time specified in subsection (6A) below ”.

(3) After subsection (6) there shall be inserted—

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- “(6A) The time mentioned in subsection (6) above is—
- (a) in the case of a claim for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which the accommodation was let;
  - (b) in the case of a claim for the purposes of corporation tax, the period of two years beginning at the end of the accounting period in which the accommodation was let.”
- 15 (1) Section 524 of the Taxes Act 1988 (taxation of receipts from sale of patent rights) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (2) (election to be made by notice served on the inspector not later than two years after end of chargeable period in which sum received)—
- (a) for “the inspector not later than two years after the end of the chargeable period in which the sum was received” there shall be substituted “ an officer of the Board within the period specified in subsection (2A) below ”; and
  - (b) for “that chargeable period” there shall be substituted “ the chargeable period in which it was received ”.
- (3) After that subsection there shall be inserted—
- “(2A) The period mentioned in subsection (2) above is—
- (a) in the case of an election for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which the sum was received;
  - (b) in the case of an election for the purposes of corporation tax, the period of two years beginning at the end of the accounting period in which the sum was received.”
- (4) In subsection (4) (election to be made not later than two years after the end of the year of assessment in which the sum is paid) for “not later than two years after the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”.
- 16 In section 585(6) of the Taxes Act 1988 (no claim may be made more than six years after the end of the year of assessment in which the income to which it relates is received in the United Kingdom) for “more than six years after the end of” there shall be substituted “ after the fifth anniversary of the 31st January next following ”.
- 17 In section 619(4) of the Taxes Act 1988 (election to be made before the end of the year of assessment in which qualifying premium paid) for “before the end of” there shall be substituted “ on or before the 31st January next following ”.

F<sup>6</sup>18 .....

#### Textual Amendments

**F6** Sch. 21 para. 18 repealed (28.7.2000 with effect as mentioned in Sch. 40 Pt. II(4) Note 3 of the amending Act) by 2000 c. 17, s. 156, Sch. 40 Pt. II(4)

- 19 In section 691(4) of the Taxes Act 1988 (election to be made within two years of the end of the year of assessment to which it relates) for “within two years of the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”.

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- 20 In section 700(3) of the Taxes Act 1988 (time for making assessments, adjustments or claims shall not expire before the end of the third year following the year of assessment in which the administration of the estate was completed) for “third year” there shall be substituted “ period of three years beginning with the 31st January next ”.
- 21 (1) Section 781 of the Taxes Act 1988 (assets leased to traders and others) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (8) (adjustment may be made at any time not more than six years from end of chargeable period in which payment made) for the words following “at any time” there shall be substituted “ within the period specified in subsection (8A) below ”.
- (3) After that subsection there shall be inserted—
- “(8A) The period mentioned in subsection (8) above is—
- (a) in the case of adjustments with respect to income tax, the period ending with the fifth anniversary of the 31st January next following the year of assessment in which the payment was made;
- (b) in the case of adjustments with respect to corporation tax, the period of six years beginning at the end of the accounting period in which the payment was made.”
- 22 In section 804(7) of the Taxes Act 1988 (claim for credit against tax for any year of assessment to be made within six years of the end of that year of assessment) for “within six years of the end of”, in each place where those words occur, there shall be substituted “ on or before the fifth anniversary of the 31st January next following ”.
- 23 In section 806(1) of the Taxes Act 1988 (claim to be made not later than six years from end of chargeable period for which income or gain falls to be charged to tax) for the words following “any income or chargeable gain” there shall be substituted—
- “(a) shall, in the case of any income or chargeable gain which—
- (i) falls to be charged to income tax for a year of assessment, or
- (ii) would fall to be charged to income tax for a year of assessment if any income tax were chargeable in respect of the income or gain,
- be made on or before the fifth anniversary of the 31st January next following that year of assessment;
- (b) shall, in the case of any income or chargeable gain which—
- (i) falls to be charged to corporation tax for an accounting period, or
- (ii) would fall to be charged to corporation tax for an accounting period if any corporation tax were chargeable in respect of the income or gain,
- be made not more than six years after the end of that accounting period.”
- [<sup>F7</sup>24 In Schedule 11 to the Taxes Act 1988, in paragraph 12 (election to be made by notice given to the inspector within six years after the year of assessment in which payment made) for “the inspector within six years after” there shall be substituted

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“ an officer of the Board on or before the fifth anniversary of the 31st January next following ”.]

#### Textual Amendments

- F7** Sch. 21 para. 24 repealed (31.7.1998 with effect as mentioned in Sch. 27 Pt. III(9), Note of the amending Act) by 1998 c. 36, s. 165, Sch. 27 Pt. III(9)

#### *The Finance Act 1988 (c. 39)*

- [<sup>F8</sup>25 In section 39(2)(b) of the Finance Act 1988 (election to be made not later than twelve months after the end of the first year of assessment for which it is to have effect) for “not later than twelve months after the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”.]

#### Textual Amendments

- F8** Sch. 21 para. 25 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(6), Note of the amending Act) by 1999 c. 16, s. 139, Sch. 20 Pt. III(6)

#### *The Capital Allowances Act 1990 (c. 1)*

- 26 (1) Section 25 of the Capital Allowances Act 1990 (qualifying expenditure) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (3) (election to be made by notice given to the inspector not later than two years after the end of the chargeable period related to the incurring of expenditure) for “the inspector not later than two years after the end of that chargeable period” there shall be substituted “ an officer of the Board within the period specified in subsection (3A) below ”.
- (3) After subsection (3) there shall be inserted—
- “(3A) The period mentioned in subsection (3) above is—
- (a) for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which ends the chargeable period related to the incurring of the expenditure;
- (b) for the purposes of corporation tax, the period of two years beginning at the end of the chargeable period related to the incurring of the expenditure.”
- 27 (1) Section 30 of the Capital Allowances Act 1990 (ships: first-year allowances) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (1) (notices that may be given where first-year allowance falls to be made) for “the inspector not later than two years after the end of the period” there shall be substituted “ an officer of the Board within the period specified in subsection (1A) below ”.

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- (3) After subsection (1) there shall be inserted—
- “(1A) The period mentioned in subsection (1) above is—
- (a) for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which ends the period of account for which the allowance mentioned in that subsection falls to be made;
- (b) for the purposes of corporation tax, the period of two years beginning at the end of the accounting period for which the allowance mentioned in that subsection falls to be made.”
- 28 For section 31(3) of the Capital Allowances Act 1990 (ships: notice to postpone writing-down allowance) there shall be substituted—
- “(3) Where the shipowner has qualifying expenditure for a chargeable period in respect of his single ship trade, he may by notice given to an officer of the Board require the postponement of—
- (a) the whole of the writing-down allowance to be made to him for that chargeable period, or
- (b) so much of it as is specified in the notice.
- (3A) A notice under subsection (3) above—
- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in which ends the chargeable period mentioned in that subsection;
- (b) for the purposes of corporation tax, shall be given no later than two years after the end of the chargeable period mentioned in that subsection.”
- 29 (1) Section 33 of the Capital Allowances Act 1990 (ships: exclusion of section 31) shall be amended in accordance with the following provisions of this paragraph.
- (2) For subsection (1) (notice to exclude section 31) there shall be substituted—
- “(1) The shipowner may by notice given to an officer of the Board require that, with effect from the beginning of a chargeable period of a single ship trade, not being the chargeable period relating to the permanent discontinuance of that trade, section 31 shall not, or as the case may be, shall no longer apply.”
- (3) For subsection (4) (notice to have expenditure in respect of single ship trade attributed to actual trade) there shall be substituted—
- “(4) The shipowner may by notice given to an officer of the Board require that an amount of expenditure specified in the notice, being less than the amount which, apart from this subsection, would be his qualifying expenditure in respect of a single ship trade for a chargeable period of that trade, shall be attributed to his actual trade.”
- (4) After subsection (5) there shall be substituted—
- “(5A) A notice under subsection (1) or (4) above—



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- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in which ends the chargeable period mentioned in that subsection;
  - (b) for the purposes of corporation tax, shall be given no later than two years after the end of the chargeable period mentioned in that subsection.”
  
- 30 (1) Section 37 of the Capital Allowances Act 1990 (election for certain machinery or plant to be treated as short life assets) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (2) (elections)—
  - (a) in paragraph (c) (election may not be made more than two years after the end of the chargeable period in which the capital expenditure was incurred) for the words following “may not be made” there shall be substituted “ after the end of the period specified in subsection (2A) below ”; and
  - (b) the words following paragraph (d) shall cease to have effect.
- (3) After that subsection there shall be inserted—
  - “(2A) The period mentioned in subsection (2) above is—
    - (a) for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which ends the chargeable period related to the incurring of the capital expenditure concerned;
    - (b) for the purposes of corporation tax, the period of two years beginning at the end of the chargeable period related to the incurring of the capital expenditure concerned;and if different parts of the capital expenditure are incurred at different times, only that part of the expenditure which is first incurred shall be taken into account for the purposes of this subsection.”
  
- 31 (1) Section 53 of the Capital Allowances Act 1990 (expenditure incurred by equipment lessor) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (2) (election to be made by notice given to the inspector before the expiry of the period of two years beginning at the end of the chargeable period related to the incurring of the expenditure)—
  - (a) for “the inspector” there shall be substituted “ an officer of the Board ”; and
  - (b) for “of two years beginning at the end of the chargeable period related to the incurring of the expenditure referred to in subsection (1)(a) above” there shall be substituted “ specified in subsection (2A) below ”.
- (3) After that subsection there shall be inserted—
  - “(2A) The period mentioned in subsection (2) above is—
    - (a) for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of

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- assessment in which ends the chargeable period related to the incurring of the expenditure referred to in subsection (1)(a) above;
- (b) for the purposes of corporation tax, the period of two years beginning at the end of the chargeable period related to the incurring of the expenditure referred to in subsection (1)(a) above.”
- 32 (1) Section 68 of the Capital Allowances Act 1990 (exclusion of certain expenditure relating to films, tapes and discs) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (5) (claim to be made not later than two years after the end of the relevant period) for “not later than two years after the end of that period” there shall be substituted “ within the period specified in subsection (5A) below ”.
- (3) After that subsection there shall be inserted—
- “(5A) The period mentioned in subsection (5) above is—
- (a) for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which ends the relevant period mentioned in that subsection;
- (b) for the purposes of corporation tax, the period of two years beginning at the end of the relevant period mentioned in that subsection.”
- (4) In subsection (9A)(b) (election to be made by giving notice to the inspector not later than two years after the end of the relevant period in which the film etc. is completed)
- 
- (a) for “the inspector” there shall be substituted “ an officer of the Board ”; and
- (b) for “not later than two years after the end of the relevant period in which the film, tape or disc is completed” there shall be substituted “ within the period specified in subsection (9AA) below ”.
- (5) After subsection (9A) there shall be inserted—
- “(9AA) The period mentioned in subsection (9A)(b) above is—
- (a) in the case of an election for the purposes of income tax, the period ending with the first anniversary of the 31st January next following the year of assessment in which ends the relevant period in which the film, tape or disc is completed;
- (b) in the case of an election for the purposes of corporation tax, the period of two years beginning at the end of the relevant period in which the film, tape or disc is completed.”
- (6) In subsection (9B) for “(9A)(b)” there shall be substituted “ (9AA) ”.
- 33 In section 129(2) of the Capital Allowances Act 1990 (election to be made by notice given to the inspector not more than two years after the end of the chargeable period related to the occurrence of the event) for the words following “by notice given to” there shall be substituted “an officer of the Board; and—
- (a) an election under this subsection for the purposes of income tax shall be made on or before the first anniversary of the 31st January

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- next following the year of assessment in which ends the chargeable period related to the occurrence of the event; and
- (b) an election under this subsection for the purposes of corporation tax shall be made not more than two years after the end of the chargeable period related to the occurrence of the event.”

[<sup>F9</sup>34 In section 141(3) of the Capital Allowances Act 1990, in the second paragraph (election as respects an allowance for any year of assessment to be made by giving notice to the inspector not later than two years after the end of that year of assessment) for “the inspector not later than two years after the end of” there shall be substituted “ an officer of the Board on or before the first anniversary of the 31st January next following ”.]

#### Textual Amendments

**F9** Sch. 21 para. 34 repealed (19.3.1997 with effect in accordance with Sch. 15 para. 9(1) of the amending Act) by 1997 c. 16, s. 85, Sch. 18 Pt. VI(11)

#### *The Taxation of Chargeable Gains Act 1992 (c. 12)*

- 35 In section 35(6) of the Taxation of Chargeable Gains Act 1992 (elections under section 35(5) to be made by notice to the inspector within period ending 2 years after the end of the year of assessment or accounting period in which the disposal is made or at such later time as the Board may allow)—
- (a) for “the inspector” there shall be substituted “ an officer of the Board ”; and
- (b) for paragraphs (a) and (b) there shall be substituted—
- “ (a) in the case of an election for the purposes of capital gains tax, with the first anniversary of the 31st January next following the year of assessment in which the disposal is made;
- (aa) in the case of an election for the purposes of corporation tax, 2 years after the end of the accounting period in which the disposal is made; or
- (b) in either case, at such later time as the Board may allow;”.
- 36 In section 161 of the Taxation of Chargeable Gains Act 1992 (appropriations to and from stock) after subsection (3) there shall be inserted—
- “(3A) An election under subsection (3) above shall be made—
- (a) for the purposes of capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which ends the period of account in which the asset is appropriated for the purposes of the trade as trading stock;
- (b) for the purposes of corporation tax, within 2 years after the end of the accounting period in which the asset is appropriated for the purposes of the trade as trading stock;
- and in paragraph (a) above “period of account” means a period for which the accounts of the trade are made up.”
- 37 In section 242 of the Taxation of Chargeable Gains Act 1992 (small part disposals) after subsection (2) there shall be inserted—

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- “(2A) A claim under subsection (2) above shall be made—
- (a) for the purposes of capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which the transfer is made;
  - (b) for the purposes of corporation tax, within 2 years after the end of the accounting period in which the transfer is made.”
- 38 In section 243 of the Taxation of Chargeable Gains Act 1992 (part disposal to authority with compulsory powers) after subsection (2) there shall be inserted—
- “(2A) A claim under subsection (2) above shall be made—
- (a) for the purposes of capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which the transfer is made;
  - (b) for the purposes of corporation tax, within 2 years after the end of the accounting period in which the transfer is made.”
- 39 In section 244 of the Taxation of Chargeable Gains Act 1992 (part disposal: consideration exceeding allowable expenditure) after subsection (2) there shall be inserted—
- “(3) An election under subsection (2)(b) above shall be made—
- (a) for the purposes of capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which the part disposal is made;
  - (b) for the purposes of corporation tax, within 2 years after the end of the accounting period in which the part disposal is made.”
- 40 In section 253 of the Taxation of Chargeable Gains Act 1992 (relief for loans to traders) after subsection (4) there shall be inserted—
- “(4A) A claim under subsection (4) above shall be made—
- (a) for the purposes of capital gains tax, on or before the fifth anniversary of the 31st January next following the year of assessment in which the payment was made;
  - (b) for the purposes of corporation tax, within 6 years after the end of the accounting period in which the payment was made.”
- 41 In section 279 of the Taxation of Chargeable Gains Act 1992 (foreign assets: delayed remittances) for subsection (5) (no claim under section 279 to be made more than 6 years after end of year of assessment in which chargeable gain accrues) there shall be substituted—
- “(5) No claim under this section in respect of a chargeable gain shall be made—
- (a) in the case of a claim for the purposes of capital gains tax, at any time after the fifth anniversary of the 31st January next following the year of assessment in which the gain accrues; or
  - (b) in the case of a claim for the purposes of corporation tax, more than 6 years after the end of the accounting period in which the gain accrues.”
- 42 (1) Schedule 2 to the Taxation of Chargeable Gains Act 1992 shall be amended in accordance with the following provisions of this paragraph.

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- (2) In paragraph 4 (election for pooling) in sub-paragraph (11) (election to be made by notice to the inspector not later than the expiration of 2 years from the end of the year of assessment or accounting period of a company in which the first relevant disposal is made, or such further time as the Board may allow) for the words following “notice to” there shall be substituted “an officer of the Board given—
- (a) in the case of an election for the purposes of capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which the first relevant disposal is made;
  - (b) in the case of an election for the purposes of corporation tax, not later than the expiration of 2 years from the end of the accounting period in which the first relevant disposal is made; or
  - (c) in either case, within such further time as the Board may allow.”
- (3) In paragraph 17 (election for valuation at 6th April) in sub-paragraph (3) (election to be made by notice to the inspector given within 2 years from the end of the year of assessment or accounting period of a company in which the disposal is made, or such further time as the Board may by notice allow) for the words following “by notice to” there shall be substituted “an officer of the Board given—
- (a) in the case of an election for the purposes of capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which the disposal is made;
  - (b) in the case of an election for the purposes of corporation tax, within 2 years from the end of the accounting period in which the disposal is made; or
  - (c) in either case, within such further time as the Board may by notice allow.”
- 43 In Schedule 4 to the Taxation of Chargeable Gains Act 1992 (deferred charges on gains before 31st March 1982) in paragraph 9(1) (time for making claims)—
- (a) in paragraph (b)—
    - (i) for “any other case” there shall be substituted “ the case of a disposal made by, or a gain treated as accruing to, a person chargeable to corporation tax ”; and
    - (ii) the words “year of assessment or” shall be omitted;
  - (b) after paragraph (b) there shall be inserted—
    - “(c) in the case of a disposal made by, or a gain treated as accruing to, a person who is chargeable to capital gains tax, on or before the first anniversary of the 31st January next following the year of assessment in which the disposal in question is made or the gain in question is treated as accruing,”; and
  - (c) in the words following paragraph (b), after “period” there shall be inserted “ or (as the case may be) on or before such later date ”.
- [<sup>F10</sup>44 (1) Schedule 6 to the Taxation of Chargeable Gains Act 1992 (retirement relief etc.) shall be amended in accordance with the following provisions of this paragraph.
- (2) In paragraph 2(1) (election to be made by notice given to the Board not more than 2 years after the end of the year of assessment in which the disposal occurred) for “not more than 2 years after the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”.

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- (3) In paragraph 5(2) (claim for relief to be made not later than 2 years after the end of the year of assessment in which the disposal occurred) for “not later than 2 years after the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”.
- (4) In paragraph 12(5)(b) (election to be made by giving notice to the inspector not later than 2 years after the end of the year of assessment in which capital distribution received)—
- (a) for “not later than 2 years after the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”; and
  - (b) for “the inspector” there shall be substituted “ an officer of the Board ”.
- (5) In paragraph 16 (aggregation of spouse’s interest in the business: election to be made by giving notice to the inspector not later than 2 years after the end of the year of assessment in which material disposal occurred)—
- (a) in sub-paragraph (1)(e) for “not later than 2 years after the end of” there shall be substituted “ on or before the first anniversary of the 31st January next following ”; and
  - (b) in sub-paragraph (2) for “the inspector” there shall be substituted “ an officer of the Board ”.]

#### Textual Amendments

**F10** Sch. 21 para. 44 repealed (31.7.1998 with effect as mentioned in Sch. 27 Pt. III(31), Note of the amending Act) by 1998 c. 36, s. 165, Sch. 27 Pt. III(31)

#### *The Finance (No. 2) Act 1992 (c. 48)*

- 45 For section 41(6) of the Finance (No. 2) Act 1992 (claim to be made not later than two years after the end of the relevant period in which the expenditure to which it relates becomes payable) there shall be substituted—
- “(6) A claim under this section shall be made—
- (a) for the purposes of income tax, on or before the first anniversary of the 31st January next following the year of assessment in which ends the relevant period in which the expenditure to which it relates becomes payable;
  - (b) for the purposes of corporation tax, not later than two years after the end of the relevant period in which the expenditure to which it relates becomes payable.”
- 46 For section 42(6) of the Finance (No. 2) Act 1992 (claim to be made not later than two years after the end of the relevant period to which it relates) there shall be substituted—
- “(6) A claim under this section shall be made—
- (a) for the purposes of income tax, on or before the first anniversary of the 31st January next following the year of assessment in which ends the relevant period to which the claim relates,
  - (b) for the purposes of corporation tax, not later than two years after the end of the relevant period to which the claim relates,
- and shall be irrevocable.”

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- 47 (1) Schedule 10 to the Finance (No. 2) Act 1992 (furnished accommodation) shall be amended in accordance with the following provisions of this paragraph.
- (2) In paragraph 10(4) (election or notice to be made or given by notice in writing to the inspector before the end of the period of one year beginning with the end of the year of assessment concerned or such longer period as the Board may in any particular case allow)—
- (a) in paragraph (a) for the words following “must be made or given” there shall be substituted “on or before—
    - (i) the first anniversary of the 31st January next following the year of assessment concerned, or
    - (ii) such later date as the Board may in any particular case allow, and”;
  - (b) in paragraph (b) for “the inspector” there shall be substituted “ an officer of the Board ”.
- (3) In paragraph 10, in sub-paragraph (5) (assessment not to be out of time if made before the end of the period of one year beginning with the day when the election was made or the notice given) for “before the end of the period of one year beginning with the day when” there shall be substituted “ on or before the first anniversary of the 31st January next following the year of assessment in which ”.
- (4) In paragraph 12(2) (election must be made in writing to the inspector before the end of the period of one year beginning with the end of the year of assessment for which it is made or such longer period as the Board may in any particular case allow)—
- (a) in paragraph (b) for the words following “must be made” there shall be substituted “on or before—
    - (i) the first anniversary of the 31st January next following the year of assessment for which it is made, or
    - (ii) such later date as the Board may in any particular case allow, and”;
  - (b) in paragraph (c) for “the inspector” there shall be substituted “ an officer of the Board ”.
- (5) In paragraph 12(4) (notice of withdrawal to be given in writing to the inspector before the end of the period of one year beginning with the end of the year of assessment for which it is given or such longer period as the Board may in any particular case allow)—
- (a) in paragraph (a) for the words following “must be given” there shall be substituted “on or before—
    - (i) the first anniversary of the 31st January next following the year of assessment for which it is given, or
    - (ii) such later date as the Board may in any particular case allow,”;
  - (b) in paragraph (b) for “the inspector” there shall be substituted “ an officer of the Board ”.
- (6) In paragraph 12, in sub-paragraph (6)(b) (notice of withdrawal deemed to be given on the last day of the period of one year beginning with the end of the year of assessment

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concerned) for “last day of the period of one year beginning with the end of” there shall be substituted “ first anniversary of the 31st January next following ”.

- (7) In paragraph 12, in sub-paragraph (7) (assessment not to be out of time if made before the end of the period of one year beginning with the day when the election was made or the notice was given) for “before the end of the period of one year beginning with the day when” there shall be substituted “ on or before the first anniversary of the 31st January next following the year of assessment in which ”.

*The Finance Act 1994 (c. 9)*

- 48 (1) Section 118 of the Finance Act 1994 (expenditure on machinery or plant: notification) shall be amended in accordance with the following provisions of this paragraph.
- (2) In subsection (3) (condition fulfilled with respect to a chargeable period if notice given to the inspector not later than two years after the end of the period) for “the inspector, in such form as the Board may require, not later than two years after the end of that period” there shall be substituted “ an officer of the Board, in such form as the Board may require, within the period specified in subsection (3A) below ”.
- (3) After subsection (3) there shall be inserted—
- “(3A) A notice under subsection (3) above—
- (a) for the purposes of income tax, shall be given on or before the first anniversary of the 31st January next following the year of assessment in which ends the chargeable period mentioned in that subsection;
  - (b) for the purposes of corporation tax, shall be given no later than two years after the end of the chargeable period mentioned in that subsection.”



**Status:**

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**Changes to legislation:**

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