

Status: Point in time view as at 01/04/2009.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, Cross Heading: Assets of negligible value. (See end of Document for details)

SCHEDULES

SCHEDULE 39

ENACTMENT OF CERTAIN INLAND REVENUE EXTRA-STATUTORY CONCESSIONS

PART II

CHARGEABLE GAINS

Assets of negligible value

- 4 (1) Section 24 of the Taxation of Chargeable Gains Act 1992 (disposals where assets lost or destroyed, or become of negligible value) shall be amended by the substitution of the following subsection for subsection (2):

“(2) Where the owner of an asset which has become of negligible value makes a claim to that effect:

- (a) this Act shall apply as if the claimant had sold, and immediately reacquired, the asset at the time of the claim or (subject to paragraphs (b) and (c) below) at any earlier time specified in the claim, for a consideration of an amount equal to the value specified in the claim.
- (b) An earlier time may be specified in the claim if:
 - (i) the claimant owned the asset at the earlier time; and
 - (ii) the asset had become of negligible value at the earlier time; and either
 - (iii) for capital gains tax purposes the earlier time is not more than two years before the beginning of the year of assessment in which the claim is made; or
 - (iv) for corporation tax purposes the earlier time is on or after the first day of the earliest accounting period ending not more than two years before the time of the claim.
- (c) Section 93 of and Schedule 12 to the ^{M1}Finance Act 1994 (indexation losses and transitional relief) shall have effect in relation to an asset to which this section applies as if the sale and reacquisition occurred at the time of the claim and not at any earlier time.”

- (2) The amendment made by this paragraph shall have effect in relation to claims made on or after 6th April 1996.

Marginal Citations

M1 1994 c. 9.

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