



Finance Act 1996

1996 CHAPTER 8

PART IV

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER VI

MISCELLANEOUS PROVISIONS

Cancellation of tax advantages

175 Transactions in certain securities.

- (1) In section 704 of the Taxes Act 1988 (which relates to the cancellation of tax advantages and specifies the circumstances mentioned in section 703(1)) in paragraph D(2)(b) (companies which do not satisfy the conditions there specified with respect to their shares or stocks) for “are authorised to be dealt in on the Stock Exchange, and are so dealt in (regularly or from time to time)” there shall be substituted “are listed in the Official List of the Stock Exchange, and are dealt in on the Stock Exchange regularly or from time to time”.
- ^{F1}(2) The reference in paragraph D(2)(b) of section 704 of the Taxes Act 1988 to being listed in the Official List of the Stock Exchange and being dealt in on the Stock Exchange regularly or from time to time shall be taken to include a reference to being dealt in on the Unlisted Securities Market regularly or from time to time, but this subsection is subject to subsection (3) below.
- ^{F1}(3) Subsection (2) above—
- (a) so far as relating to sub-paragraph (2) of paragraph D of section 704 of the Taxes Act 1988 as it applies for the purposes of sub-paragraph (1) of that paragraph or paragraph E of that section, shall not have effect where the relevant transaction takes place after the date on which the Unlisted Securities Market closes;

Status: Point in time view as at 29/04/1996. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, Section 175. (See end of Document for details)

- (b) so far as relating to paragraph D of that section as it applies for the purposes of section 210(3) or 211(2) of that Act (which relate to bonus issues following, and other matters to be treated or not treated as, repayment of share capital) shall not have effect—
 - (i) in the case of section 210(3), in relation to share capital issued after that date; or
 - (ii) in the case of section 211(2), in relation to distributions made after that date.]
- (4) [^{F2}Except as provided by subsection (3) above,]this section—
 - (a) so far as relating to sub-paragraph (2) of paragraph D of section 704 of the Taxes Act 1988 as it applies for the purposes of sub-paragraph (1) of that paragraph or paragraph E of that section, shall have effect where the relevant transaction takes place after the passing of this Act; and
 - (b) so far as relating to paragraph D of that section as it applies for the purposes of section 210(3) or 211(2) of that Act, shall have effect—
 - (i) in the case of section 210(3), in relation to share capital issued after the passing of this Act; or
 - (ii) in the case of section 211(2), in relation to distributions made after the passing of this Act.
- (5) In this section “the relevant transaction” means—
 - (a) the transaction in securities mentioned in paragraph (b) of section 703(1) of the Taxes Act 1988, or
 - (b) the first of the two or more such transactions mentioned in that paragraph, as the case may be.

Textual Amendments

- F1** S. 175(2)(3) repealed (with effect as mentioned in Sch. 41 Pt. V(31), Note in the repealing Act) by 1996 c. 8, s. 205, **Sch. 41 Pt. V(31)**
- F2** Words in s. 175(4) repealed (with effect as mentioned in Sch. 41 Pt. V(31), Note in the repealing Act) by 1996 c. 8, s. 205, **Sch. 41 Pt. V(31)**

Status:

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