



Limited Liability Partnerships Act 2000

2000 CHAPTER 12

Taxation

10 Income tax and chargeable gains.

^{F1}(1)

^{F2}(2)

(3) In the ^{M1}Taxation of Chargeable Gains Act 1992, after section 59 insert—

“59A Limited liability partnerships.

(1) Where a limited liability partnership carries on a trade or business with a view to profit—

(a) assets held by the limited liability partnership shall be treated for the purposes of tax in respect of chargeable gains as held by its members as partners, and

(b) any dealings by the limited liability partnership shall be treated for those purposes as dealings by its members in partnership (and not by the limited liability partnership as such),

and tax in respect of chargeable gains accruing to the members of the limited liability partnership on the disposal of any of its assets shall be assessed and charged on them separately.

(2) Where subsection (1) ceases to apply in relation to a limited liability partnership with the effect that tax is assessed and charged—

(a) on the limited liability partnership (as a company) in respect of chargeable gains accruing on the disposal of any of its assets, and

(b) on the members in respect of chargeable gains accruing on the disposal of any of their capital interests in the limited liability partnership,

it shall be assessed and charged on the limited liability partnership as if subsection (1) had never applied in relation to it.

Status: Point in time view as at 26/06/2020.

Changes to legislation: There are currently no known outstanding effects for the Limited Liability Partnerships Act 2000, Section 10. (See end of Document for details)

- (3) Neither the commencement of the application of subsection (1) nor the cessation of its application in relation to a limited liability partnership is to be taken as giving rise to the disposal of any assets by it or any of its members.”
- (4) After section 156 of that Act insert—

“156A Cessation of trade by limited liability partnership.

- (1) Where, immediately before the time of cessation of trade, a member of a limited liability partnership holds an asset, or an interest in an asset, acquired by him for a consideration treated as reduced under section 152 or 153, he shall be treated as if a chargeable gain equal to the amount of the reduction accrued to him immediately before that time.
- (2) Where, as a result of section 154(2), a chargeable gain on the disposal of an asset, or an interest in an asset, by a member of a limited liability partnership has not accrued before the time of cessation of trade, the member shall be treated as if the chargeable gain accrued immediately before that time.
- (3) In this section “the time of cessation of trade”, in relation to a limited liability partnership, means the time when section 59A(1) ceases to apply in relation to the limited liability partnership.”

Textual Amendments

- F1** S. 10(1) repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F2** S. 10(2) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
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Marginal Citations

- M1** 1992 c. 12.

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There are currently no known outstanding effects for the Limited Liability Partnerships Act 2000, Section 10.