

Status: Point in time view as at 01/01/2004.

Changes to legislation: Finance Act 2003, SCHEDULE 28 is up to date with all changes known to be in force on or before 29 August 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)

SCHEDULES

SCHEDULE 28

Section 159

CAPITAL GAINS TAX: REPORTING LIMITS AND ANNUAL EXEMPT AMOUNT

PART 1

REPORTING LIMITS

1 After section 3 of the Taxation of Chargeable Gains Act 1992 (c. 12) insert—

“3A Reporting limits

- (1) Where in the case of an individual—
 - (a) the amount of chargeable gains accruing to him in any year of assessment does not exceed the exempt amount for that year, and
 - (b) the aggregate amount or value of the consideration for all chargeable disposals of assets made by him in that year does not exceed four times the exempt amount for that year,a statement to that effect is sufficient compliance with so much of any notice under section 8 of the Management Act as requires information for the purposes of establishing the amount in which he is chargeable to capital gains tax for that year.
- (2) For the purposes of subsection (1)(a) above—
 - (a) the amount of chargeable gains accruing to an individual in a year of assessment for which no deduction falls to be made in respect of allowable losses is the amount after any reduction for taper relief;
 - (b) the amount of chargeable gains accruing to an individual in a year of assessment for which such a deduction does fall to be made is the amount before deduction of losses or any reduction for taper relief.
- (3) For the purposes of subsection (1)(b) above a “chargeable disposal” is any disposal other than—
 - (a) a disposal on which any gain accruing is not a chargeable gain, or
 - (b) a disposal the consideration for which is treated by virtue of section 58 (husband and wife) as being such that neither a gain nor a loss would accrue.
- (4) Subsection (1) above applies to personal representatives (for the year of assessment in which the individual in question dies and for the next 2 following years) as it applies to an individual.
- (5) Subsection (1) above applies to the trustees of a settlement in accordance with Schedule 1.

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- (6) In this section “exempt amount” has the meaning given by section 3 (read, where appropriate, with Schedule 1).”.
- 2 (1) In the heading to Schedule 1 to that Act (application of exempt amount in cases involving settled property) after “EXEMPT AMOUNT” insert “ AND REPORTING LIMITS ”.
- (2) In paragraph 1 of that Schedule (trustees for person with a disability) after sub-paragraph (5) insert—
- “(5A) In its application to the trustees of a settlement, section 3A(1) has effect with the substitution for the reference to section 8 of the Management Act of a reference to section 8A of that Act.”.
- (3) In paragraph 2 of that Schedule (other trustees) after sub-paragraph (6) insert—
- “(6A) In its application to the trustees of a settlement, section 3A(1) has effect with the substitution for the reference to section 8 of the Management Act of a reference to section 8A of that Act.”.

PART 2

ANNUAL EXEMPT AMOUNT

- 3 (1) Section 3 of the Taxation of Chargeable Gains Act 1992 (c. 12) is amended as follows.
- (2) Omit subsection (6).
- (3) In subsection (7) for “subsections (1) to (6)” substitute “ subsections (1) to (5C) ”.
- (4) After that subsection insert—
- “(7A) As they apply by virtue of subsection (7) above—
- (a) subsection (5A) has effect with the omission of paragraph (b), and
- (b) subsection (5B) has effect with the omission of the words “or (b)”.”.
- 4 (1) Paragraph 1 of Schedule 1 to that Act is amended as follows.
- (2) In sub-paragraph (1), in the words following paragraph (b)—
- (a) for “section 3(1) to (6)” substitute “ sections 3(1) to (5C) and 3A ”;
- (b) at the end insert “ , but with the modifications specified in this paragraph ”.
- (3) After sub-paragraph (2) insert—
- “(2A) As they apply by virtue of sub-paragraph (1) above—
- (a) section 3(5A) has effect with the omission of paragraph (b), and
- (b) section 3(5B) has effect with the omission of the words “or (b)”.”.
- (4) In sub-paragraph (3)—
- (a) for “section 3” substitute “ sections 3 and 3A(1)(a) ”;
- (b) after “the exempt amount for the year”, where it first occurs, insert “ (except the one in section 3(2)) ”.
- (5) In sub-paragraph (7) for “An inspector” substitute “ An officer of the Board ”.
- 5 (1) Paragraph 2 of that Schedule is amended as follows.

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- (2) In sub-paragraph (1) for “section 3(1) to (6)” substitute “ sections 3(1) to (5C) and 3A ”.
 - (3) In sub-paragraph (2)—
 - (a) for “subsections (1) and (5)” substitute “ section 3(1), (5A), (5B) and (5C) ”;
 - (b) after “section 3(1), (5A), (5B) and (5C)” insert “ and section 3A(1)(a) ”.
 - (4) After sub-paragraph (2) insert—
 - “(2A) As they apply by virtue of sub-paragraph (1) above—
 - (a) section 3(5A) has effect with the omission of paragraph (b), and
 - (b) section 3(5B) has effect with the omission of the words “or (b)”.”
 - (5) Omit sub-paragraph (3).
 - (6) In sub-paragraph (9) for “An inspector” substitute “ An officer of the Board ”.
- 6 In the first column of the Table in section 98 of the Taxes Management Act 1970 (c. 9) (penalty for failure to furnish particulars etc), at the appropriate place insert — “ Paragraph 1(7) of Schedule 1 to the 1992 Act. ”.

PART 3

COMMENCEMENT

- 7 The amendments in paragraphs 1, 2, 3(2) and (3), 4(2)(a) and (4)(a) and 5(2), (3) (b) and (5) of this Schedule apply in relation to any notice under section 8 or, as the case may be, section 8A of the Taxes Management Act 1970 given in relation to the year 2003-04 or any subsequent year of assessment.
- 8 The amendments in paragraphs 3(4), 4(2)(b), (3) and (4)(b) and 5(3)(a) and (4) of this Schedule shall be deemed always to have had effect.
- 9 The amendments in paragraphs 4(5), 5(6) and 6 of this Schedule have effect in relation to any notice given in respect of the year 2002-03 or any subsequent year of assessment, except that the amendment in paragraph 6 has effect only in relation to such a notice given after the passing of this Act.

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