
Changes to legislation: Finance Act 2008, Paragraph 7 is up to date with all changes known to be in force on or before 03 July 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) View outstanding changes

SCHEDULES

SCHEDULE 3

ENTREPRENEURS' RELIEF

Transitionals: reorganisations

- 7 (1) This paragraph applies where, by virtue of section 116(10)(b), a chargeable gain is deemed to accrue to an individual on a disposal made on or after 6 April 2008 (a “relevant disposal”) by reason of a relevant transaction to which the individual was a party taking place before that date.
- (2) Subject as follows, Chapter 3 of Part 5 (as inserted by this Schedule) has effect as if—
- (a) (despite section 116(10)) the relevant transaction were a disposal of the old asset made by the individual,
 - (b) that Chapter applied in relation to that disposal (even though made before 6 April 2008), and
 - (c) for the purposes of the time limit for making a claim for entrepreneurs' relief, that disposal were made at the time of the first relevant disposal.
- (3) In sub-paragraph (2) “the first relevant disposal” means the first disposal made on or after 6 April 2008 on which a chargeable gain is deemed to accrue to the individual by reason of the relevant transaction.
- (4) Where entrepreneurs' relief is claimed by virtue of this paragraph—
- (a) the amount of the chargeable gain produced by the calculation under section 116(10)(a), reduced by
 - (b) any amount deemed to accrue under section 116(10)(b) and (12) before 6 April 2008 by reason of the relevant transaction,
- is to be treated as constituting the amount resulting under section 169N(1).
- (5) Accordingly (but subject as follows), the amount of the chargeable gain which is deemed to accrue by virtue of section 116(10)(b) on the relevant disposal is that arrived at under [F1section 169N(1) and (2)] (in accordance with sub-paragraph (4)).
- (6) The amount of the chargeable gain which is deemed to accrue by virtue of section 116(10)(b) on the relevant disposal is the amount specified in sub-paragraph (7)—
- (a) except in a case within paragraph (b), where the relevant disposal is not a disposal of the whole of the new asset, and
 - (b) in a case in which part of the new asset was disposed of before 6 April 2008, where the relevant disposal is not a disposal of the whole of the part not so disposed of.
- (7) The amount referred to in sub-paragraph (6) is the appropriate proportion of the amount in sub-paragraph (5); and “the appropriate proportion” means the proportion

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of the new asset, or of so much of the new asset as was not disposed of before 6 April 2008, which is disposed of on the relevant disposal.

[^{F2}(7A) Section 169N(3) to (4B) is to apply to the deemed chargeable gain found in accordance with sub-paragraphs (5) to (7).]

(8) In this paragraph—

“new asset”,

“old asset”, and

“relevant transaction”,

have the meaning given by section 116.

(9) References in this paragraph to any provision are to be read as they would be if this paragraph formed part of TCGA 1992.

Textual Amendments

F1 Words in Sch. 3 para. 7(5) substituted (27.7.2010) by Finance (No. 2) Act 2010 (c. 31), **Sch. 1 para. 10(a)**

F2 Sch. 3 para. 7(7A) inserted (27.7.2010) by Finance (No. 2) Act 2010 (c. 31), **Sch. 1 para. 10(b)**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 41 para. 6(1A) inserted by [2015 c. 11 Sch. 20 para. 10\(2\)](#)
- Sch. 41 para. 6A(A1)(1) substituted for Sch. 41 para. 6A(1) by [2015 c. 11 Sch. 20 para. 11\(2\)](#)