

Status: Point in time view as at 16/11/2017.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2013, Cross Heading: Special charging rules for capital gains. (See end of Document for details)

SCHEDULES

SCHEDULE 45

STATUTORY RESIDENCE TEST

PART 3

SPLIT YEAR TREATMENT

Special charging rules for capital gains

- 92 TCGA 1992 is amended as follows.
- 93 (1) Section 2 (persons and gains chargeable to capital gains tax, and allowable losses) is amended as follows.
- (2) After subsection (1A) (inserted by Schedule 46 to this Act) insert—
- “(1B) If the year is a split year as respects an individual, the individual is not chargeable to capital gains tax in respect of any chargeable gains accruing to the individual in the overseas part of that year.
- (1C) But subsection (1B)—
- (a) does not apply to chargeable gains in respect of which the individual would have been chargeable to capital gains tax under section 10, had the individual been not resident in the UK for the year, and
- (b) is without prejudice to section 10A.”
- (3) In subsection (2)—
- (a) after “the year of assessment” insert “ or, where subsection (1B) applies, the UK part of that year ”, and
- (b) in paragraph (a), after “that year of assessment” insert “ or that part (as the case may be) ”.
- 94 (1) Section 3A (reporting limits) is amended as follows.
- (2) In subsection (1)—
- (a) in paragraph (a), after “year of assessment” insert “ or, if that year is a split year as respects the individual, the UK part of that year ”, and
- (b) in paragraph (b), after “in that year” insert “ or, as the case may be, that part of the year ”.
- (3) In subsection (2), after “year of assessment” insert “ (or the UK part of such a year) ”.
- 95 (1) Section 12 (non-UK domiciled individuals to whom remittance basis applies) is amended as follows.
- (2) After subsection (2) insert—

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- “(2A) If that tax year is a split year as respects the individual, the chargeable gains are treated as accruing to the individual in the part of the year (the overseas part or the UK part) in which the foreign chargeable gains are so remitted.”
- (3) In subsection (3), after “that year” insert “ or, where applicable, that part of the year ”.
- 96 In section 13 (attribution of gains to members of non-resident companies), after subsection (3) insert—
- “(3A) Subsection (2) does not apply in the case of a participator who is an individual if—
- (a) the tax year in which the chargeable gain accrues to the company is a split year as respects the participator, and
 - (b) the chargeable gain accrues to the company in the overseas part of that year.”
- 97 In section 16 (computation of losses), after subsection (3) insert—
- “(3A) If the person is an individual and the year is a split year as respects that individual, subsection (3) also applies to a loss accruing to the individual in the overseas part of that year.”
- 98 In section 16ZB (individual who has made election under section 16ZA: foreign chargeable gains remitted in tax year after tax year in which accrue), in subsection (1)(c), after “tax year” insert “ or a part of the applicable tax year ”.
- 99 (1) Section 16ZC (individual who has made election under section 16ZA and to whom remittance basis applies) is amended as follows.
- (2) In subsection (3)—
- (a) in paragraph (a), after “that year” insert “ or, if that year is a split year as respects the individual, in the UK part of that year ”, and
 - (b) in paragraph (b), after “that year” insert “ or they are so remitted in that year but it is a split year as respects the individual and they are so remitted in the overseas part of the year ”.
- (3) In subsection (7), in the definition of “relevant allowable losses”, after “tax year” insert “ or a part of the tax year ”.
- 100 In section 86 (attribution of gains to settlors with interest in non-resident or dual resident settlements), in subsection (4)(a), after “the year” insert “ or if, as respects the settlor, the year is a split year, in the UK part of that year ”.
- 101 In section 87 (non-UK resident settlements: attribution of gains to beneficiaries), after subsection (6) insert—
- “(7) If the relevant tax year is a split year as respects a beneficiary of the settlement—
- (a) the amount on which the beneficiary is chargeable to capital gains tax by virtue of this section for that year (in respect of the settlement) is a portion of the amount on which the beneficiary would have been so chargeable if the relevant tax year had not been a split year, and
 - (b) the portion is the portion attributable to the UK part of the relevant tax year calculated on a time apportionment basis.”

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