



Finance Act 2015

2015 CHAPTER 11

PART 1

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 4

OTHER PROVISIONS

Capital gains tax

43 **Entrepreneurs' relief: trading company etc**

(1) Section 169S of TCGA 1992 (entrepreneurs' relief - interpretation) is amended as follows.

(2) After subsection (4) insert—

“(4A) In this Chapter “trading company” and “trading group” have the same meaning as in section 165 (see section 165A), except that, for the purposes of this Chapter—

- (a) subsections (7) and (12) of section 165A are to be disregarded;
- (b) in determining whether a company which is a member of a partnership is a trading company, activities carried on by the company as a member of that partnership are to be treated as not being trading activities (see section 165A(4)); and
- (c) in determining whether a group of companies is a trading group in a case where any one or more companies in the group is a member of a partnership, activities carried on by such a company as a member of the partnership are to be treated as not being trading activities (see section 165A(9)).”

Status: This is the original version (as it was originally enacted).

- (3) In subsection (5), omit the entry relating to “trading company” and “trading group” and the “and” preceding that entry.
- (4) For the purposes of conditions B and D in section 169I of TCGA 1992 (material disposal of business assets), any reference to a company ceasing to be a trading company or ceasing to be a member of a trading group does not include a case where a company ceases to be a trading company or ceases to be a member of a trading group by virtue only of the coming into force of subsections (2) and (3).
- (5) This section comes into force on 18 March 2015.