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*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

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## SCHEDULES.

### SCHEDULE 6

#### CAPITAL GAINS: COMPUTATION.

#### PART I

##### *Surtax in respect of shortfall in distributions of close company etc.*

- 18 (1) If in pursuance of section 249 of the Income Tax Act 1952 (under which, as extended by section 78(7) of this Act, individuals may be assessed to surtax in respect of sums apportioned under Chapter III of Part IX of the Income Tax Act 1952 or under Part IV of this Act) a person is assessed to surtax then in the computation under this Schedule of the gain accruing on a disposal by him of any shares forming part of his interest in the company to which the relevant apportionment relates the amount of the surtax paid by him, so far as attributable to those shares, shall be allowable as a deduction.
- (2) The foregoing paragraph shall not apply in relation to surtax charged in respect of undistributed income which has, before the disposal, been subsequently distributed and is then exempt from surtax by virtue of subsection (5) of the said section 249.
- (3) For the purposes of this paragraph the income assessed to surtax shall be the highest part of the individual's income for the year of assessment in question, but so that if the highest part of the said income is taken into account under this paragraph in relation to an assessment to surtax the next highest part shall be taken into account in relation to any other relevant assessment, and so on.
- (4) For the purpose of identifying shares forming part of an interest in a company with shares subsequently disposed of which are of the same class, and in the same company, shares bought at an earlier time shall be deemed to have been disposed of before shares bought at a later time.
- (5) The provisions of this paragraph shall be construed as if this paragraph formed part of the said section 249.