
Status: This is the original version (as it was originally enacted).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

SCHEDULES.

SCHEDULE 7

CAPITAL GAINS: MISCELLANEOUS RULES.

Gifts: recovery of tax from donee.

- 19 (1) If in any year of assessment a chargeable gain accrues to any person on the disposal of an asset by way of gift and any amount of capital gains tax assessed on that person for that year of assessment is not paid within twelve months from the date when the tax becomes payable the donee may, by an assessment made not later than two years from the date when the tax became payable, be assessed and charged (in the name of the donor) to capital gains tax on an amount not exceeding the amount of the chargeable gain so accruing, and not exceeding the grossed up amount of that capital gains tax unpaid at the time when he is so assessed, grossing up at the marginal rate of tax, that is to say taking capital gains tax on a chargeable gain at the amount which would not have been chargeable but for that chargeable gain.
- (2) A person paying any amount of tax in pursuance of this paragraph shall be entitled to recover a sum of that amount from the donor.
- (3) References in this paragraph to a donor include, in the case of an individual who has died, references to his personal representatives.
- (4) In this paragraph references to a gift include references to any transaction otherwise than by way of a bargain made at arm's length so far as money or money's worth passes under the transaction without full consideration in money or money's worth, and " donor " and " donee " shall be construed accordingly; and this paragraph shall apply in relation to a gift made by two or more donors with the necessary modifications and subject to any necessary apportionments.