



Finance Act 1976

1976 CHAPTER 40

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

24— F1
38.

Textual Amendments

F1 Ss. 24–38, 44–50, 60–72(12) repealed by [Income and Corporation Taxes Act 1988](#) (c. 1, SIF 63:1), s. 844, [Sch. 31](#)

39— F2
42.

Textual Amendments

F2 Ss. 39–42 repealed by [Capital Allowances Act 1990](#) (c. 1, SIF 63:1), ss. 82, 164(4)(5), [Sch. 2](#)

43 F3

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1976, Part III. (See end of Document for details)

Textual Amendments

F3 S. 43 repealed by 1979 (No. 2) s. 24 and Sch. 5 Part II for 1979–80 et seq.

44— **F4**
50.

Textual Amendments

F4 Ss. 24–38, 44–50, 60–72(12) repealed by Income and Corporation Taxes Act 1988 (c. 1, SIF 63:1), s. 844, **Sch. 31**

51 **F5**

Textual Amendments

F5 S. 51 repealed by Finance Act 1978 (c. 42, SIF 63:2), s. 80(5), **Sch. 13 Part IV** (by Sch. 13 Pt. IV note 1 it is provided that the repeal has effect for the year 1977–78 and subsequent years of assessment)

52, 53. **F6**

Textual Amendments

F6 Ss. 52, 53, 55, 56 repealed by Capital Gains Tax Act 1979 (c. 14, SIF 63:2), ss. 157, 158, **Sch. 8** for 1979–80 et seq.

54 Capital gains: compulsory acquisition of aircraft and shipbuilding shares.

- (1) This section has effect where, in pursuance of any enactment to which this subsection applies, gilt-edged securities are exchanged for shares in a company and, immediately before the exchange, those shares are owned by another company—
 - (a) which is a member of the same group of companies as the first- mentioned company; or
 - (b) which is a member of a consortium by which the first-mentioned company is owned.
- (2) Subsection (1) above applies to any enactment providing for the compulsory acquisition of shares in companies engaged in manufacturing aircraft or guided weapons or in shipbuilding or allied industries.
- (3) In any case in which this section has effect the company owning the shares immediately before the exchange may by notice in writing given to the inspector within four years after the exchange, elect—
 - (a) that [^{F7}section 84(3) of the Capital Gains Tax Act 1979] shall not apply to the exchange; and

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1976, Part III. (See end of Document for details)

- (b) that [^{F7}sections 115 to 121 of the Capital Gains Tax Act 1979] (replacement of business assets) shall have effect in relation to the disposal on the occasion of the exchange as if the shares were assets falling within the classes listed in [^{F7}section 118 of that Act] and had, throughout the period of ownership, been used and used only for the purposes of a trade carried on by that company.
- (4) For the purposes of this section—
- (a) two companies shall be deemed to be members of a group of companies if one is the 75 per cent. subsidiary of the other or both are 75 per cent. subsidiaries of a third company;
- (b) a company is owned by a consortium if all of the ordinary share capital of that company is directly and beneficially owned between them by five or fewer companies, and those companies are called the members of the consortium.
- [^{F8}(5) Subsection (6) of section 84 of the Capital Gains Tax Act 1979 (gilt-edged securities not issued until after the date when shares are compulsorily acquired) shall apply in relation to this section as it applies in relation to that section, and in this section—
- “gilt-edged securities” has the meaning given by Schedule 2 to that Act;
- “shares” includes securities within the meaning of section 82 of that Act.]

Textual Amendments

- F7** Words substituted by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\), s.157\(2\)\(3\), Sch.7 para. 9](#) for 1979–80 et seq.
- F8** [S. 54\(5\)](#) substituted by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\), s.157\(2\)\(3\), Sch.7 para. 7](#) for 1979–80 et seq.

55, 56. ^{F9}

Textual Amendments

- F9** [Ss. 52, 53, 55, 56](#) repealed by [Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\), ss. 157, 158, Sch. 8](#) for 1979–80 et seq.

57 Investigatory powers.

- (1) For section 20 of the Taxes Management Act 1970 (power to call for documents relating to business profits and tax liability thereon) there shall be substituted the sections 20, 20A, 20B, 20C and 20D set out in Schedule 6 to this Act.
- (2) In section 118(1) of that Act (interpretation), in the definition of “tax”, after the words “those taxes” there are inserted the words “except that in sections 20, 20A, 20B, 20C and 20D it does not include development land tax”.

Modifications etc. (not altering text)

- C1** The text of s. 58(1)(a) and part of the text of ss. 57(2) and 59 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1976, Part III. (See end of Document for details)

58 Recovery of tax in sheriff court.

(1) Section 67(1) of the Taxes Management Act 1970 (recovery of tax in sheriff court) shall be amended as follows—

- (a) for the words “does not exceed £250” there shall be substituted the words “does not exceed the sum for the time being specified in section 35(1)(a) of the Sheriff Courts (Scotland) Act 1971”;
- (b) the words “or in the sheriff’s small debt court, whichever is appropriate” shall be omitted.

(2) this section shall come into force on 1st September 1976.

Modifications etc. (not altering text)

C2 The text of s. 58(1)(a) and part of the text of ss. 57(2) and 59 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

59 Post-war credits.

After section 131(3) of the Finance Act 1972 (power of Treasury to make order fixing time-limit for applications for repayment of post-war credits) there shall be inserted—

“(3A) An order under subsection (3) above may make different provision for different cases or classes of case and may provide that no amount shall be ascertained, recorded or notified under section 7 of the Finance Act 1941 after any such time as may be specified in the order.”

Modifications etc. (not altering text)

C3 See under “Post-war credits” in Part II Vol.5

C4 The text of s. 58(1)(a) and part of the text of ss. 57(2) and 59 is in the form in which it was originally enacted: it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991

CHAPTER II

BENEFITS DERIVED BY COMPANY DIRECTORS AND OTHERS FROM THEIR EMPLOYMENT

60–71 **F10**

Textual Amendments

F10 Ss. 24–38, 44–50, 60–72(12) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, [Sch. 31](#)

72 (1) **F11**

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1976, Part III. (See end of Document for details)

- (13) The enactments specified in Schedule 9 to this Act shall be amended as there specified (which are amendments consequential on the replacement by this Chapter of Chapter II of Part VIII of the Taxes Act and other provisions); Part I of that Schedule substitutes a new section for section 15 of the Taxes Management Act 1970, and contains consequential amendments; Part II contains other amendments.

Textual Amendments

F11 Ss. 24–38, 44–50, 60–72(1)–(12) repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844, [Sch. 31](#)

Status:

Point in time view as at 01/02/1991.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1976, Part III.