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SCHEDULES

SCHEDULE 10

Section 35.

STOCK RELIEF : TRANSITIONAL PROVISIONS

Option for old relief

- 1 Paragraph 2 below has effect in relation to any period of account which ends on or includes 14th November 1980 and in that paragraph " the new relief " means relief under Schedule 9 to this Act. " the old relief " means relief under Schedule 5 to the Finance Act 1976 and any expression which is also used in the said Schedule 5 has the same meaning as in that Schedule.
- 2 (1) If the new relief to which a person is entitled in respect of the period of account is less than the old relief to which he would have been so entitled as modified by paragraph 3 below, he may elect to receive the old relief as so modified instead of the new relief.
- (2) An election under this paragraph shall be by notice in writing sent to the inspector within two years after the end of the period of account (in the case of a company) or the end of the year of assessment in which the period of account ends (in other cases).
- (3) The relief to which a person is entitled by virtue of an election under this paragraph shall, except as to its amount, be treated for the purposes of Schedule 9 to this Act as if it were relief under paragraph 3 or, as the case may be, paragraph 12 of that Schedule.
- 3 (1) For the purposes of paragraph 2 above the amount of the old relief shall be determined in accordance with this paragraph.
- (2) If the closing stock value is more than the value of the trading stock on 14th November 1980 the increase in stock value shall be calculated by reference to the value of the trading stock on that date instead of the closing stock value.
- (3) Where the increase in stock value falls to be calculated in accordance with subparagraph (2) above the deduction to be made by reference to relevant income shall be made by reference to such part of that income as corresponds to the part of the period of account ending with 14th November 1980.
- (4) Where an election is made under paragraph 20 of Schedule 9 to this Act by reference to a transfer which took place before 14th November 1980, subparagraph (2) above shall not apply in relation to the predecessor.
- (5) Paragraph 24 of Schedule 9 to this Act shall apply for the purposes of this paragraph.
- (6) There shall be deducted from the amount of the old relief an amount equal to one-quarter of the amount of the new relief or £10,000, whichever is the less.
- (7) Where a charge has been deferred as mentioned in paragraph 4 below, the amount of the old relief shall be equal to—

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- (a) the amount of that relief as determined under sub-paragraphs (2) to (6) above ; or
 - (b) so much of the amount of that relief determined without regard to those sub-paragraphs as does not exceed the amount of the charge,
- whichever is the greater.

Recovery of deferred charge

- 4 Notwithstanding section 35 of this Act any charge which under Part I of Schedule 7 to the Finance Act 1980 has been deferred to a period of account which ends on or includes 14th November 1980 shall be recoverable as if this Act had not been passed.