

Status: Point in time view as at 01/02/1991.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1982, Cross Heading: Disposals on a no-gain/no-loss basis. (See end of Document for details)

SCHEDULES

SCHEDULE 13

THE INDEXATION ALLOWANCE

Modifications etc. (not altering text)

- C1** See—Finance Act 1985 (c. 54), s. 68(3)(e) and Sch. 19 para. 23Income and Corporation Taxes 1988 (c. 1, SIF 63:1), **Sch. 28 para. 4(3)** re computation of offshore income gains

PART I

GENERAL

Modifications etc. (not altering text)

- C1** See—Finance Act 1988 (c. 39, SIF 63:1, 2), s. 113

Disposals on a no-gain/no-loss basis

- 2 (1) This paragraph applies to a disposal of an asset which falls within subsection (1)(a) of section 86 of this Act if, by virtue of any enactment other than [F¹subsection (5) (b) of that section or] any provision of this Schedule, the disposal is treated as one on which neither a gain nor loss accrues to the person making the disposal.
- (2) In relation to a disposal to which this paragraph applies—
“the transferor” means the person making the disposal of the asset concerned; and
“the transferee” means the person acquiring the asset on the disposal.
- (3) On a disposal to which this paragraph applies [F¹and which falls within subsection (1) (b) of section 86 of this Act], the amount of the consideration shall be calculated for the purposes of the ^{M1}Gains Tax Act 1979 on the assumption that—
(a) the disposal is one to which that section applies; and
(b) on the disposal [F²an unindexed gain] accrues to the transferor which is equal to the indexation allowance on the disposal;
and, accordingly, the disposal shall be one on which, after taking account of the indexation allowance, neither a gain nor a loss accrues.
- (4) Except as provided by paragraph 3 below, for the purposes of the application of sections 86 and 87 of this Act there shall be disregarded so much of any enactment as provides that, on the subsequent disposal by the transferee of the asset acquired

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by him on a disposal to which this paragraph applies, the transferor's acquisition of the asset is to be treated as the transferee's acquisition of it.

Textual Amendments

- F1** Words repealed by [Finance Act 1985 \(c. 54\)](#), ss. 68, 98(6), [Schs. 19 Pt. I](#) and 27 Pt. VII for disposals made on or after 6 April 1985 or 1 April 1985 for companies, 2 July 1986 for gilt-edged securities ([Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\)](#) Sch. 2) and qualifying corporate bonds ([Finance Act 1984 \(c. 43, SIF 40:1\)](#) s. 64), or 28 February 1986 for other securities within the meaning of [Finance Act 1985 \(c. 54\)](#) Part II Ch. IV
- F2** Words substituted by [Finance Act 1985 \(c. 54\)](#), [s. 68](#) and Sch. 19 Pt. I for disposals made on or after 6 April 1985, or 1 April 1985 for companies, or 28 February 1986 for securities within the meaning of [Finance Act 1985 \(c. 54\)](#) Part II Ch. IV other than gilt-edged securities ([Capital Gains Tax Act 1979 \(c. 14, SIF 63:2\)](#) Sch. 2) and qualifying corporate bonds ([Finance Act 1984 \(c. 43, SIF 40:1\)](#) s. 64), which are not affected

Modifications etc. (not altering text)

- C1** See also [Income and Corporation Taxes 1988 \(c. 1, SIF 63:1\)](#), [Sch. 28 para. 3\(1\)](#) re computation of offshore income gains

Marginal Citations

- M1** 1979 c. 14.

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