

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1985, SCHEDULE 25. (See end of Document for details)

SCHEDULES

SCHEDULE 25

Section 93.

ABOLITION OF DEVELOPMENT LAND TAX AND TAX ON DEVELOPMENT GAINS

PART I

PROVISIONS SUPPLEMENTARY TO ABOLITION OF DEVELOPMENT LAND TAX

- 1 (1) In this Part of this Schedule “the 1976 Act” means the ^{M1}Development Land Tax Act 1976.
- (2) Expressions used in this Part of this Schedule have the same meaning as in the 1976 Act.

Marginal Citations

M1 1976 c. 24.

- 2 (1) In any case where—
- (a) before 19th March 1985 there was a DLT disposal which was a deemed disposal, and
 - (b) by virtue of any provision of the 1976 Act, liability for development land tax on all or any of the realised development value which accrued on the DLT disposal stands deferred immediately before that date and, accordingly, is extinguished under section 93(3) of this Act,
- then, except as respects the interaction of the DLT disposal with a CGT disposal or trading disposal occurring before 19th March 1985, for the purposes of Part I of Schedule 6 to the 1976 Act (interaction of development land tax with other taxes) so much of the realised development value as is referable to the deferred tax shall be assumed not to have accrued on the DLT disposal and, accordingly, no sum shall be regarded as being available or allowable as a deduction under any provision of that Part by virtue of that amount of realised development value.
- (2) If, in a case falling within paragraphs (a) and (b) of sub-paragraph (1) above, liability for only some of the tax which accrued on the DLT disposal stands deferred as mentioned in paragraph (b), any reference in that sub-paragraph to the amount of realised development value which is referable to the deferred tax is a reference to that proportion of the whole of the realised development value accruing on the DLT disposal which the tax the liability for which stands so deferred bears to the whole of the tax the liability for which arose on the DLT disposal.
- (3) In this paragraph, “DLT disposal”, “CGT disposal” and “trading disposal” have the meaning assigned by section 34(3) of the 1976 Act.
- 3 Where, by virtue of paragraph 21 or paragraph 22 of Schedule 2 to the 1976 Act (general rules for determining amount of consideration),—

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- (a) consideration is brought into account without any discount for postponed payment or without regard to any risk of irrecoverability, or
- (b) consideration is determined without taking account of any contingent liability,

no further assessment to tax shall be raised by reason of anything occurring on or after 19th March 1985, but relief by way of discharge or repayment of tax or otherwise shall continue to be available on and after that date under subparagraph (2) of the paragraph in question.

PART II

CONSEQUENTIAL AMENDMENTS

The Taxes Management Act 1970

- 4 In section 38 of the ^{M2}Taxes Management Act 1970 (modification of section 37 in relation to partnerships) in subsection (3) for the words “subsections (3A) and (5)” (which were substituted by paragraph 8 of Schedule 8 to the ^{M3}Development Land Tax Act 1976) there shall be substituted “subsection (5)”.

Marginal Citations

M2 1970 c. 9.

M3 1976 c. 24.

- 5 In section 40 of that Act (assessment on personal representatives) in subsection (3) for the words “subsections (1) and (2) above” (which were substituted by paragraph 9(1) of Schedule 8 to the said Act of 1976) there shall be substituted “this section”.
- 6 In section 70 of that Act (evidence) in subsection (2) for the words “86A or 87” (which were substituted by section 115 of the Finance Act ^{M4}1980) there shall be substituted “or 87”.

Marginal Citations

M4 1980 c. 48.

The Taxes Act

- 7—9. **F1**

Textual Amendments

F1 Ss. 34–49, 73–77, Schs. 9–13, 18, 22, 23, 25 paras. 7–9 repealed by [Income and Corporation Taxes Act 1988](#) (c. 1, SIF 63:1), s. 844, **Sch. 31**

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The Finance Act 1981

- 10 In section 135 of the ^{M5}Finance Act 1981 (Chevening estate) in subsection (1) for the words “capital transfer tax and development land tax” there shall be substituted “and capital transfer tax”.

Marginal Citations

M5 1981 c. 35.

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