



Finance Act 1988

1988 CHAPTER 39

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER IV

CAPITAL GAINS

Miscellaneous

F1 108

Textual Amendments

F1 S. 108 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F2 109

Textual Amendments

F2 S. 109 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Status: Point in time view as at 06/03/1992.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1988, Cross Heading: Miscellaneous. (See end of Document for details)

F3 110

Textual Amendments

F3 S. 110 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F4 111

Textual Amendments

F4 S. 111 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F5 112

Textual Amendments

F5 S. 112 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with ss. 101(1), 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F6 113

Textual Amendments

F6 S. 113 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F7 114

Textual Amendments

F7 S. 114 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F8 115

Status: Point in time view as at 06/03/1992.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1988, Cross Heading: Miscellaneous. (See end of Document for details)

Textual Amendments

- F8** S. 115 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F9 116

Textual Amendments

- F9** S. 116 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

117 Definition of “investment trust”.

- (1) In section 842 of the Taxes Act 1988 (definition of “investment trust”)—
- (a) before paragraph (a) of subsection (1) there shall be inserted—
 - “(aa) that the company is resident in the United Kingdom; and”
 - (b) for paragraph (c) of that subsection there shall be substituted—
 - “(c) that the shares making up the company’s ordinary share capital (or, if there are such shares of more than one class, those of each class) are quoted on the Stock Exchange; and”;
 - and
 - (c) after that subsection there shall be inserted—
 - “(1A) For the purposes of paragraph (b) of subsection (1) above and the other provisions of this section having effect in relation to that paragraph—
 - (a) holdings in companies which are members of a group (whether or not including the investing company) and are not excluded from that paragraph shall be treated as holdings in a single company; and
 - (b) where the investing company is a member of a group, money owed to it by another member of the group shall be treated as a security of the latter held by the investing company and accordingly as, or as part of, the holding of the investing company in the company owing the money;
 - and for the purposes of this subsection “group” means a company and all companies which are its 51 per cent. subsidiaries.”
- (2) The repeal by the ^{M1}Finance (No. 2) Act 1987 of section 93 of the ^{M2}Finance Act 1972 shall be treated as not having extended to subsection (6) of that section (amendment of definition of “investment trust” in section 359 of the Taxes Act 1970).
- (3) For section 266(4) of the ^{M3}Companies Act 1985 there shall be substituted—

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“(4) Subsections (1A) to (3) of section 842 of the Income and Corporation Taxes Act 1988 apply for the purposes of subsection (2)(b) above as for those of subsection (1)(b) of that section.”;and for Article 274(4) of the

^{M4}
Companies (Northern Ireland) Order 1986 there shall be substituted—

“(4) Subsections (1A) to (3) of section 842 of the Income and Corporation Taxes Act 1988 apply for the purposes of paragraph (2)(b) as for those of subsection (1)(b) of that section.”

(4) Subsections (1) and (3) above shall have effect for companies’ accounting periods ending after 5th April 1988 and subsection (2) above shall have effect for companies’ accounting periods ending on or before that date.

Marginal Citations

- M1** 1987 c. 51.
- M2** 1972 c. 41.
- M3** 1985 c. 6.
- M4** S.I. 1986/1032 (N.I. 6).

^{F10} **118**

Textual Amendments

- F10** S. 118 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, [Sch. 11](#) paras. 22, 26(2), 27)

Status:

Point in time view as at 06/03/1992.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1988, Cross Heading: Miscellaneous.