



# Taxation of Chargeable Gains Act 1992

## 1992 CHAPTER 12

### PART III

INDIVIDUALS, PARTNERSHIPS, TRUSTS AND COLLECTIVE INVESTMENT SCHEMES <sup>[F1]</sup>ETC]

### CHAPTER I

MISCELLANEOUS PROVISIONS

#### 59 Partnerships.

<sup>[F1]</sup>(1) Where 2 or more persons carry on a trade or business in partnership—

- (a) tax in respect of chargeable gains accruing to them on the disposal of any partnership assets shall, in Scotland as well as elsewhere in the United Kingdom, be assessed and charged on them separately, and
- (b) any partnership dealings shall be treated as dealings by the partners and not by the firm as such, <sup>F2</sup>...
- <sup>F2</sup>(c) .....

<sup>[F3]</sup>(2) Subsection (3) applies if—

- (a) a person resident in the United Kingdom (“the resident partner”) is a member of a partnership which resides outside the United Kingdom or which carries on any trade, profession or business the control and management of which is situated outside the United Kingdom, and
- (b) by virtue of any arrangements <sup>[F4]</sup>that have effect under section 2(1) of TIOPA 2010] (“the arrangements”) any of the <sup>[F5]</sup>chargeable gains of the partnership] are relieved from capital gains tax <sup>[F6]</sup>or corporation tax] in the United Kingdom.

(3) The arrangements <sup>[F7]</sup>(so far as providing for that relief)] do not affect any liability to capital gains tax <sup>[F8]</sup>or corporation tax] in respect of the resident partner's share of any <sup>[F9]</sup>chargeable gains of the partnership].

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*Changes to legislation: Taxation of Chargeable Gains Act 1992, Section 59 is up to date with all changes known to be in force on or before 21 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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[<sup>F10</sup>(4) For the purposes of subsections (2) and (3) the members of a partnership include any person entitled to a share of [<sup>F11</sup>chargeable gains of the partnership].]

#### Textual Amendments

- F1** S. 59(1) renumbered (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 431\(2\)](#) (with [Sch. 2](#))
- F2** S. 59(c) and preceding word repealed (with effect in accordance with Sch. 29 Pt. VIII(16) of the amending Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. VIII\(16\)](#)
- F3** S. 59(2)(3) inserted (with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\), Sch. 1 para. 431\(3\)](#) (with [Sch. 2](#))
- F4** Words in s. 59(2)(b) substituted (with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 43](#) (with [Sch. 9 paras. 1-9, 22](#))
- F5** Words in s. 59(2)(b) substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\), Sch. 1 para. 28](#)
- F6** Words in s. 59(2)(b) inserted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 365\(2\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F7** Words in s. 59(3) inserted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 365\(3\)\(a\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F8** Words in s. 59(3) inserted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), s. 1329\(1\), Sch. 1 para. 365\(3\)\(b\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F9** Words in s. 59(3) substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\), Sch. 1 para. 28](#)
- F10** S. 59(4) inserted (retrospective to 6.4.2005) by [Finance Act 2008 \(c. 9\), s. 58\(2\)\(4\)](#)
- F11** Words in s. 59(4) substituted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\), Sch. 1 para. 28](#)

**Changes to legislation:**

Taxation of Chargeable Gains Act 1992, Section 59 is up to date with all changes known to be in force on or before 21 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act applied by [1997 c. 16 Sch. 12 para. 12\(7\)](#)[1314](#)
- Act applied by [2002 c. 23 Sch. 16 para. 48\(1\)\(2\)](#)
- Act construed as one with reg. 37 by [S.I. 2006/575 reg. 37\(2\)](#)
- Act construed as one with reg. 38 by [S.I. 2006/575 reg. 38\(3\)](#)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 4(10)(11) inserted by [2016 c. 11 s. 15\(4\)](#)
- s. 4(10) words inserted by [2016 c. 24 s. 83\(11\)](#)
- s. 35(3)(d)(xviii) added by [2008 c. 17 Sch. 7 para. 9](#)
- s. 35(3)(d)(xviii) inserted by [2008 c. 18 Sch. 13 para. 46](#)
- s. 35(3)(d)(xviii) repealed by [S.I. 2008/3002 Sch. 1 para. 42](#)[Sch. 3](#) (This amendment comes into force on the day 2008 c. 4, s. 5 comes into force, see art. 1(2). That provision was brought into force on 1.12.2008 by [S.I. 2008/3068](#), art. 2(1)(b))
- s. 104(4)(b)(i) words substituted by [S.I. 1989/469](#), reg. 27(2) (as amended) by [S.I. 1997/1716 reg. 13\(1\)\(b\)](#)
- s. 107(11) words substituted by [S.I. 1989/469](#), reg. 27(2A) (as amended) by [S.I. 1997/1716 reg. 13\(2\)\(b\)](#)
- s. 169S(4A) inserted by [2015 c. 11 s. 43\(2\)](#)
- s. 587B inserted by [2000 c. 17 s. 43\(1\)](#)
- Sch. 5C para. 3(1) modified by [S.I. 2004/2199 reg. 7\(1\)](#)
- Sch. 5C para. 3(6) modified by [S.I. 2004/2199 reg. 7\(2\)](#)
- Sch. 5C para. 5(1) modified by [S.I. 2004/2199 reg. 7\(3\)](#)
- Sch. 5C para. 3 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 5 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 6 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 3(1)(f) words substituted by [2007 c. 3 Sch. 1 para. 347](#)