



Finance Act 1998

1998 CHAPTER 36

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER II

TAXATION OF CHARGEABLE GAINS

Abolition of reliefs

140 Phasing out of retirement relief

(1) In Schedule 6 to the Taxation of Chargeable Gains Act 1992 (retirement relief etc.), paragraph 13(1) (amount available for relief: basic rule) shall have effect, in relation to qualifying disposals in a year of assessment specified in the first column of the following Table, as if—

- (a) for the references to £250,000 there were substituted references to the amount specified in the second column of that Table; and
- (b) for the reference to £1 million there were substituted a reference to the amount specified in the third column of that Table.

TABLE

<i>Year</i>	<i>£250,000</i>	<i>£1 million</i>
1999-00	£200,000	£800,000
2000-01	£150,000	£600,000
2001-02	£100,000	£400,000
2002-03	£50,000	£200,000

Status: This is the original version (as it was originally enacted).

- (2) The following provisions, namely—
- (a) section 163 of that Act (relief for disposals by individuals on retirement from family business),
 - (b) section 164 of that Act (other retirement relief), and
 - (c) Schedule 6 to that Act,
- shall cease to have effect in relation to disposals in the year 2003-04 and subsequent years of assessment.
- (3) In section 157 of that Act (trade carried on by family company), for the words “within the meaning of Schedule 6” there shall be substituted the words “that is to say, a company the voting rights in which are exercisable, as to not less than 5 per cent., by him”.
- (4) In subsection (8) of section 165 of that Act (relief for gifts of business assets), for paragraph (a) there shall be substituted the following paragraphs—
- “(a) “personal company”, in relation to an individual, means a company the voting rights in which are exercisable, as to not less than 5 per cent., by that individual;
 - (aa) “holding company”, “trading company” and “trading group” have the meanings given by paragraph 22 of Schedule A1; and”.
- (5) In the following provisions, namely—
- (a) subsection (8) of section 228 of that Act (conditions for roll-over relief: supplementary), and
 - (b) subsection (14)(b) of section 253 of that Act (relief for loans to traders),
- for the words “paragraph 1 of Schedule 6” there shall be substituted the words “paragraph 22 of Schedule A1”.
- (6) Subsections (3) to (5) above have effect in relation to the year 2003-04 and subsequent years of assessment.