

SCHEDULES

SCHEDULE 3

TRANSITIONALS AND SAVINGS

PART 2

CHANGES IN THE LAW

- 8 (1) This paragraph applies where, in the case of any person—
- (a) a thing is done or an event occurs before the relevant date, and
 - (b) by reason of a change in the law effected by this Act, the tax consequences of that thing or event for a relevant chargeable period are different from what they would otherwise have been.
- (2) If that person so elects, this Act has effect in relation to that period with such modifications as may be necessary to secure that those consequences are the same as they would have been without the change in the law.
- (3) If this paragraph applies in the case of two or more persons in relation to the same thing or event, an election made under sub-paragraph (2) by any one of those persons is of no effect unless a corresponding election is made by the other or each of the others.
- (4) An election under sub-paragraph (2) must be made by notice given to the Inland Revenue—
- (a) for income tax purposes, within the normal time limit for amending a tax return for the tax year in which the chargeable period ends;
 - (b) for corporation tax purposes, no later than 2 years after the end of the chargeable period.
- (5) In this paragraph—
- “relevant chargeable period” means—
 - (a) in relation to a change effected by section 536(5)(a) or 537(4), the earliest chargeable period for which the tax consequences of the thing or event are different from what they would otherwise have been;
 - (b) in relation to any other change, a chargeable period which begins before and ends on or after the relevant date;
 - “the relevant date” means 6th April 2001 for income tax purposes and 1st April 2001 for corporation tax purposes.