



# Finance Act 2015

## 2015 CHAPTER 11

### PART 1

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER 4

#### OTHER PROVISIONS

#### *Capital gains tax*

#### **40 Wasting assets**

- (1) In section 45 of TCGA 1992 (exemption for certain wasting assets), after subsection (3) insert—

“(3A) But subsection (3) does not apply in the case of a disposal in relation to which subsection (3B) disapplies subsection (1).

(3B) Subsection (1) does not apply to a disposal of, or of an interest in, an asset if—

- (a) at any time in the period of ownership of the person making the disposal, the asset is used for the purposes of a trade, profession or vocation carried on by another person,
- (b) as a result of that use, the asset becomes plant,
- (c) but for the asset therefore being regarded under section 44(1)(c) as having a predictable life of less than 50 years, the disposal would not be of, or of an interest in, a wasting asset, and
- (d) the disposal is not within subsection (3C).

(3C) A disposal of, or of an interest in, an asset is within this subsection if the asset is plant used for the purpose of leasing under a long funding lease and—

- (a) the disposal takes place after the commencement of the term of the lease but before the termination of the lease, or

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**Changes to legislation:** *Finance Act 2015, Section 40 is up to date with all changes known to be in force on or before 17 January 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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- (b) the disposal is the deemed disposal of the asset under section 25A(3)(a) on the termination of the lease.
- (3D) Section 25A(5) applies for the purposes of subsection (3C).”
- (2) The amendment made by this section has effect—
  - (a) for corporation tax purposes, in relation to disposals on or after 1 April 2015, and
  - (b) for capital gains tax purposes, in relation to disposals on or after 6 April 2015.

**Changes to legislation:**

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

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

- Sch. 21 para. 2(e) and word inserted by [2021 c. 26 Sch. 27 para. 44\(3\)\(b\)](#)
- Sch. 21 para. 5(6) inserted by [2021 c. 26 Sch. 27 para. 44\(4\)\(b\)](#)