



Finance Act 1960

1960 CHAPTER 44

PART II

INCOME TAX

24 Supplementary provisions as to ss. 21 to 23

- (1) Where sales of associated parcels of shares in a company, being sales to the same person, take place at different times, and in consequence of any of the sales other than the first that person obtains control of the company, then for the purposes of any of the three foregoing sections any sales earlier than that in consequence of which he obtains control (not being sales effected before the sixth day of April, nineteen hundred and sixty) shall be treated as having all taken place at the time of that sale.
- (2) For the purposes of the foregoing subsection parcels of shares shall be treated as associated if (either directly or through a nominee) they belong respectively to the same person or two or more related persons, or to two or more persons carrying on business in partnership; and for the purposes of this subsection shares shall be treated as belonging to a person—
 - (a) if they belong to a company under his control, or
 - (b) if they are held by trustees in consequence of a settlement (as defined in section four hundred and three of the Act of 1952) in relation to which he is the settlor (as so defined), or
 - (c) in the case of a person carrying on business in partnership, if they belong to a person related to him,and two or more persons shall be deemed to be related if each of them, as respects each of the others, is a relative (that is to say an ancestor, lineal descendant, brother or sister), or the husband or wife of a relative, of that other or of the husband or wife of that other.
- (3) Where a person acquires control of a company at any time,—
 - (a) any sale of shares in the company, whether to that person or to a person from whom he acquires the shares directly or indirectly, which took place before

Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.

that time and was effected in pursuance of arrangements for transferring control of the company, or

- (b) any sale of shares in the company to another person from whom the first-mentioned person acquired them, directly or indirectly, being a sale which took place after that time and was effected in pursuance of arrangements for transferring the shares to the first-mentioned person,

shall be treated for the purposes of the three foregoing sections as a sale in consequence of which the immediate purchaser will have control of the company.

- (4) For the purposes of this and the three foregoing sections a sale to a company under a person's control, or to his nominee, shall be treated as a sale to him, and the creation of an interest in favour of a company under a person's control, or in favour of his nominee, shall be treated as the creation of the interest in his favour.
- (5) For the purposes aforesaid two or more persons acting together to secure or exercise control of a company shall be treated in relation to that company as a single person.
- (6) Where a sale of shares is effected in pursuance of a previous agreement, the time of the sale shall be taken for the purposes of the three foregoing sections and of the foregoing provisions of this section to be the time of the making of the agreement.