

SCHEDULE 17 PARTNERSHIPS

PART 8

APPLICATION OF PROVISIONS ON EXEMPTIONS, RELIEFS AND NOTIFICATION

Application of group relief

- 38 (1) Schedule 10 (group relief) applies with the following modifications to—
- (a) a transaction to which Part 4 applies, and
 - (b) a transfer of interest in a partnership which is treated as a land transaction by virtue of paragraph 17.
- (2) For paragraphs 14 and 15 substitute—
- “14 This paragraph applies where a partner who was a partner at the effective date of the transaction which is exempt from charge by virtue of this schedule (“the relevant partner” and “the relevant transaction” respectively) ceases to be a member of the same group as the seller—
- (a) before the end of the period of 3 years beginning with the effective date of the transaction, or
 - (b) in pursuance of, or in connection with, arrangements made before the end of that period.
- 15 This paragraph applies where, at the time the relevant partner ceases to be a member of the same group as the seller (“the relevant time”), a chargeable interest is held by or on behalf of the members of the partnership and that chargeable interest—
- (a) was acquired by or on behalf of the partnership under the relevant transaction, or
 - (b) is derived from a chargeable interest so acquired,
- and has not subsequently been acquired at market value under a chargeable transaction for which group relief was available but was not claimed.”.
- (3) For paragraph 19(b), substitute—
- “(b) what is held at the relevant time by or on behalf of the partnership and to the proportion in which the relevant partner is entitled at the relevant time to share in the income profits of the partnership.”.
- (4) In paragraphs 20 to 42, for “the buyer” (wherever appearing) substitute “the relevant partner”.