
Changes to legislation: There are currently no known outstanding effects for the Trustee Savings Banks Act 1985, Cross Heading: Chargeable gains. (See end of Document for details)

SCHEDULES

SCHEDULE 2

TAXATION

Chargeable gains

- 2 (1) For the purposes of the ^{F1}1992 Act], the transfer of any assets effected by section 3 above shall be deemed to be for a consideration such that no gain or loss accrues to the transferor.
- (2) Schedule ^{F2} to the 1992 Act] shall have effect in relation to any asset so transferred as if the acquisition or provision of it by the transferor had been the acquisition or provision of it by the transferee.
- (3) In paragraph 3 of Schedule 13 to the ^{M1}Finance Act 1982 (indexation: subsequent disposals following no gain/no loss disposals), the following shall be added at the end of sub-paragraph (3)—
- “(e) paragraph 2 of Schedule 2 to the Trustee Savings Banks Act 1985.”.

Textual Amendments

- F1** Words in [Sch. 2 para. 2](#) substituted (6.3.1992 with effect as mentioned in [s. 289\(1\)\(2\)](#) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [ss. 289, 290](#), [Sch. 10 para. 10\(1\)\(a\)\(b\)](#) (with [ss. 60, 101\(1\), 201\(3\)](#))

Marginal Citations

- M1** [1982 c. 39](#).

- 3 (1) For the purposes of Chapter ^{F2}III of Part II of the 1992 Act] (computation of chargeable gains)—
- (a) the shares in the successor to Trustee Savings Bank of the Channel Islands acquired by the new holding company on or before the vesting day shall be taken to have been so acquired for a consideration equal to the value of the assets transferred to the successor by section 3 above (as shown by the statutory accounts for the final financial year of Trustee Savings Bank of the Channel Islands) less the amount of any liabilities so transferred (as so shown); and
- (b) the shares in the other successors to the existing banks acquired by the new holding company on or before the vesting day shall be deemed to have been acquired by the new holding company before 6th April 1945 and for no consideration or incidental cost.
- (2) For the purposes of paragraph ^{F2}16 of Schedule 2 to the 1992 Act] (election for valuation at 6th April 1965) the market value of the shares mentioned in sub-paragraph (1)(b) above, shall be determined by applying the formula—

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$$£X = £Y \times \frac{A}{B}$$

Where—

X is the market value of those shares;

Y is the value of the assets of the transferor (as shown by the statutory accounts for its final financial year) less the aggregate of the amount of its liabilities (as so shown);

A is the period beginning with 6th April 1945 and ending with 5th April 1965; and

B is the period beginning with 6th April 1945 and ending with the vesting day.

Textual Amendments

F2 Words in [Sch. 2 para. 3](#) substituted (6.3.1992 with effect as mentioned in [s. 289\(1\)\(2\)](#) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [ss. 289, 290](#), [Sch. 10 para. 10\(2\)\(a\)\(b\)](#) (with [ss. 60, 101\(1\), 201\(3\)](#))

- 4 (1) Where the liability in respect of any debt owed to an existing bank, the existing holding company or the Central Board, is transferred by section 3 above, the transferee shall be treated as the original creditor for the purposes of section [\[^{F3}251\]](#) of the [\[^{F4}1992 Act\]](#) (debts).
- (2) On a 75 per cent. subsidiary (“the existing subsidiary”) of an existing bank becoming a 75 per cent. subsidiary of the bank’s successor, section [\[^{F5}178 or 179 of the 1992 Act\]](#) (company ceasing to be a member of a group) shall not have effect as respects any assets transferred (at any time) by the bank to the subsidiary; but on the subsidiary ceasing to be a member of the group of companies (“the group”) of which the successor and the new holding company are both members, section [\[^{F5}178 or 179 of the 1992 Act\]](#) shall apply as if the assets acquired by the subsidiary from the bank had been acquired by it from the bank’s successor.
- (3) No provision made by this Act shall be treated, for the purposes of section [\[^{F3}30\]](#) of the [\[^{F4}1992 Act\]](#) (value-shifting), as a scheme or arrangement.
- (4) For the purposes of the [\[^{F4}1992 Act\]](#), any allowable losses accruing in any accounting period to the Central Board or to an existing bank shall, so far as they have not been allowed as a deduction from chargeable gains, be treated as allowable losses which accrued in that accounting period to the new holding company or, as the case may be, successor.

Textual Amendments

F3 Words in [Sch. 2 para. 4](#) substituted (6.3.1992 with effect as mentioned in [s. 289\(1\)\(2\)](#) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [ss. 289, 290](#), [Sch. 10 para. 10\(3\)\(b\)](#) (with [ss. 60, 101\(1\), 201\(3\)](#))

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- F4** Words in Sch. 2 para. 4 substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 10 para. 10(3)(a)** (with ss. 60, 101(1), 201(3))
- F5** Words in Sch. 2 para. 4 substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by virtue of Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 10 para. 10(3)(c)** (with ss. 60, 101(1), 201(3)).

- 5 For the purposes of the Act of 1979, gains arising on the disposal by the Central Board of any shares or rights to shares in the new holding company shall not be chargeable gains.

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