

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1974, Paragraph 20. (See end of Document for details)

SCHEDULES

[^{F1}SCHEDULE 3

PROVISIONS SUPPLEMENTARY TO SECTION 38

Textual Amendments

- F1** *Sch. 3* Repealed by Finance Act 1985 (c. 54, SIF 63:1), s. 98(6) and Sch. 27 Part X in relation to disposals of interests in land taking place on or after 19 March Finance Act 1985 (c. 54, SIF 63:1), but without affecting the construction of 1979 (C) Sch. 5 para. 9(5).

PART II

OTHER PROVISIONS SUPPLEMENTARY TO SECTION 38

Company amalgamations

- 20 (1) *Where a company issues shares or debentures to a person in exchange for shares in or debentures of another company in circumstances such that [section 85 of the Capital Gains Tax Act 1979 ^{F2}] (company amalgamations) applies, then, if section 41(1) of this Act applies to the disposal by him to the issuing company of the shares in or debentures of the other company, the amount of any development gain accruing to him in respect of that disposal shall be computed as if the said [section 85 ^{F2}] did not apply in relation to the exchange.*
- (2) *Where, in the case of a disposal of shares in or debentures of a company made in the circumstances mentioned in the preceding sub-paragraph, the amount of any development gain accruing in respect of that disposal falls by virtue of that sub-paragraph to be computed as if the said [section 85 ^{F2}] did not apply in relation to the exchange, the provisions of paragraph 14 of Schedule 9 to this Act (postponement of payment of tax), excluding sub-paragraphs (2) and (6), shall, with any necessary modifications, apply in the case of that disposal as they apply in the case of a disposal of an interest in land which is deemed to have been made as mentioned in sub-paragraph (1) of the said paragraph 14, but as if in the said sub-paragraph (1) for the reference to the total tax chargeable in respect of a gain accruing on the disposal there were substituted a reference to such part of that total tax as is equal to the amount by which that total tax exceeds the tax which would have been chargeable but for sub-paragraph (1) of this paragraph.]*

Textual Amendments

- F2** *Capital Gains Tax Act 1979 (c. 14, SIF 63:1), s. 157(2) and Sch. 7 paras. 4 and 9 for 1979-80 et seq.*

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