



Transport Act 1985

1985 CHAPTER 67

PART VI

MISCELLANEOUS AND GENERAL

General supplementary provisions

130 Corporation tax and capital gains tax

- (1) Section 16(1)(a) of the Finance Act 1970 (which excludes precept income and grants in computing the profits of a Passenger Transport Executive chargeable to corporation tax) shall not apply with respect to any accounting period beginning on or after the passing of this Act.
- (2) In computing for the purposes of the Corporation Tax Acts the profit or loss of a Passenger Transport Executive for any accounting period beginning on or after the passing of this Act, the loss of any earlier accounting period shall be computed as if section 16(1)(a) of the Finance Act 1970 had not been enacted.
- (3) For the purposes of the Capital Gains Tax Act 1979, the transfer under section 59(8) or section 85(4) of this Act of any asset from a Passenger Transport Executive to a Passenger Transport Authority shall be deemed to be for a consideration such that no gain or loss accrues to the Executive ; and Schedule 5. to that Act (assets held on 6th April 1965) shall have effect in relation to any asset so transferred as if the acquisition or provision of it by the Executive had been the acquisition or provision of it by the Authority.
- (4) If, under section 59 of this Act, a company is formed by a Passenger Transport Executive and the shares in or securities of that company are subsequently transferred to a Passenger Transport Authority, section 278 of the Income and Corporation Taxes Act 1970 (deemed disposals of assets for capital gains purposes where member leaves group) shall not have effect as respects any of the assets of the company on its ceasing to be a 75 per cent, subsidiary (within the meaning of the Tax Acts) of the Executive.