



Finance Act 1988

1988 CHAPTER 39

An Act to grant certain duties, to alter other duties, and to amend the law relating to the National Debt and the Public Revenue, and to make further provision in connection with Finance. [29th July 1988]

^{X1}Most Gracious Sovereign, WE, Your Majesty's most dutiful and loyal subjects, the Commons of the United Kingdom in Parliament assembled, towards raising the necessary supplies to defray Your Majesty's public expenses, and making an addition to the public revenue, have freely and voluntarily resolved to give and grant unto Your Majesty the several duties hereinafter mentioned; and do therefore most humbly beseech Your Majesty that it may be enacted, and be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Editorial Information

- X1** General amendments to Tax Acts, Income Tax Acts, and/or Corporation Tax Acts made by legislation after 1.2.1991 are noted against [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#) but not against each Act

Commencement Information

- I1** Act partly in force at Royal Assent, partly retrospective, see individual sections; all provisions so far as unrepealed wholly in force at 1.2.1991. Some provisions came in to force at specific times of the day

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART I

CUSTOMS AND EXCISE

Duties of excise: rates

1 Beer, wine, made-wine and cider.

- (1) In section 36 of the ^{M1}Alcoholic Liquor Duties Act 1979 (excise duty on beer)—
- (a) for “£25.80” and “£0.86” there shall be substituted “ £27.00 ” and “ £0.90 ” respectively; and
 - (b) for the words from “at the rate” onwards there shall be substituted the words “ at the rate of £0.90 per hectolitre for every degree by which the original gravity of the beer exceeds 1000 degrees ”.
- (2) In sections 42(6) and 43(4) of that Act (rates of drawback), the words “but as respects” onwards shall cease to have effect.
- (3) For the Table of rates of duty in Schedule 1 to that Act (wine and made-wine) there shall be substituted the Table in Part I of Schedule 1 to this Act.
- (4) In section 62(1) of that Act (excise duty on cider) for “£15.80” there shall be substituted “ £17.33 ”.
- (5) That Act shall have effect subject to the amendments set out in Part II of Schedule 1 to this Act (which relate to beverages of an alcoholic strength not exceeding 5.5 per cent.).
- (6) In this section—
- (a) subsections (1)(a), (3) and (4) (with Part I of Schedule 1 to this Act) shall be deemed to have come into force at 6 o’clock in the evening of 15th March 1988;
 - (b) subsections (1)(b) and (2) shall come into force on 1st October 1988; and
 - (c) subsection (5) (with Part II of Schedule 1 to this Act) shall come into force on such day as the Commissioners may by order made by statutory instrument appoint;
- and different days may be appointed under paragraph (c) above for different provisions or different purposes.

Subordinate Legislation Made

P1 Power of appointment conferred by s. 1(6) fully exercised: 1.10.1988 appointed by [S.I. 1988/1634](#), [art. 2](#)

Marginal Citations

M1 1979 c. 4.

2 Tobacco products.

- (1) For the Table in Schedule 1 to the ^{M2}Tobacco Products Duty Act 1979 there shall be substituted—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

“ TABLE

1. Cigarettes	An amount equal to 21 per cent. of the retail price plus £31.74 per thousand cigarettes.
2. Cigars	£48.79 per kilogram.
3. Hand-rolling tobacco	£51.48 per kilogram.
4. Other smoking tobacco and chewing tobacco	£24.95 per kilogram.”

(2) This section shall be deemed to have come into force on 18th March 1988.

Marginal Citations

M2 1979 c. 7.

3 Hydrocarbon oil.

(1) In section 6(1) of the ^{M3}Hydrocarbon Oil Duties Act 1979, for “£0.1938” (light oil) and “£0.1639” (heavy oil) there shall be substituted “ £0.2044 ” and “ £0.1729 ” respectively.

(2) In section 13A of that Act (rebate on unleaded petrol), for “£0.0096” there shall be substituted “ £0.0202 ”.

(3) This section shall be deemed to have come into force at 6 o’clock in the evening of 15th March 1988.

Marginal Citations

M3 1979 c. 5.

4 Vehicles excise duty.

^{F1}(1)

^{F2}(2)

(3) In Part I of Schedule 3 to each Act (annual rates of duty on tractors etc.)—

(a)

^{F3F1}(b)

^{F1}(c)

^{F1}(d)

^{F1}(4)

^{F4}(5)

^{F1}(6)

^{F1}(7)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F1(8)

F1(9)

Textual Amendments

- F1** S. 4(1)(3)(b)-(d)(4)(6)-(9) repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))
- F2** S. 4(2) repealed (the repeal having effect in relation to licences taken out after 16th March 1993) (27. 7. 93) by 1993 c. 34, s. 213, **Sch. 23 Pt. I** (6)
- F3** S. 4(3)(a) repealed by Finance Act 1989 (c. 26, SIF 107:2), s. 187(1), **Sch. 17 Pt. II** (in relation to licences taken out after 14.3.1989)
- F4** S. 4(5) repealed (1. 10. 1991) by Finance Act 1991 (c. 31, SIF 107:2), ss. 10, 123, **Sch. 19 Pt. IV**; S.I. 1991/2021, **art. 2**.

Duties of excise: other provisions

5 Relief from excise duty on goods imported for testing etc.

- (1) After section 11 of the ^{M4}Customs and Excise Duties (General Reliefs) Act 1979 there shall be inserted—

“11A Relief from excise duty on goods imported for testing etc.

- (1) The Commissioners may by order provide that, in such cases and subject to such exceptions as may be specified in the order, goods imported into the United Kingdom for the sole or main purpose—
- (a) of being examined, analysed or tested; or
 - (b) of being used to test other goods,
- shall be relieved from excise duty chargeable on importation; and any such relief may take the form either of an exemption from payment of duty or of a provision whereby the sum payable by way of duty is less than it otherwise would be.
- (2) An order under this section—
- (a) may make any relief for which it provides subject to conditions specified in or under the order, including conditions to be complied with after the importation of the goods to which the relief applies;
 - (b) may contain such incidental and supplementary provisions as the Commissioners think necessary or expedient; and
 - (c) may make different provision for different cases.
- (3) In this section, references to excise duty include any additions to such duty by virtue of section 1 of the Excise Duties (Surcharges or Rebates) Act 1979.”
- (2) In section 17 of that Act (statutory instruments containing orders or regulations: parliamentary procedure)—
- (a) after “7” in subsection (3) and after “4” in subsection (4) there shall be inserted “ , 11A ”; and
 - (b) for “or 4” in subsection (5) there shall be substituted “ , 4 or 11A ”.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Marginal Citations

M4 1979 c. 3.

6 Remission of duty in respect of spirits used for medical or scientific purposes.

(1) For section 8 of the ^{M5} Alcoholic Liquor Duties Act 1979 there shall be substituted—

“8 Remission of duty in respect of spirits used for medical or scientific purposes.

- (1) Where a person proposes to use spirits —
- (a) in the manufacture or preparation of any article recognised by the Commissioners as being an article used for medical purposes; or
 - (b) for scientific purposes, the Commissioners may, if they think fit and subject to such conditions as they see fit to impose, authorise that person to receive, and permit the delivery from warehouse to that person of, spirits for that use without payment of the duty chargeable thereon.

(2) If any person contravenes or fails to comply with any condition imposed under this section then, in addition to any other penalty he may have incurred, he shall be liable on summary conviction to a penalty of level 3 on the standard scale.”

(2) In section 22 of that Act (drawback on British compounds and spirits of wine), subsection (7) shall cease to have effect.

(3)

^{F5}(4) In section 33 of that Act (restrictions on use of certain goods relieved from spirits duty)—

- (a) in paragraph (c) of subsection (1), for the word “repayment” there shall be substituted the word “remission”;
- (b) paragraph (d) of that subsection and the word “or” immediately preceding that paragraph shall cease to have effect; and
- (c) in paragraph (b) of subsection (2), for the words “repaid or assumed to be repayable” there shall be substituted the word “remitted”.

Textual Amendments

F5 S. 6(3) repealed by Finance Act 1990 (c. 29, SIF 40:1), s. 132, Sch. 19 Pt. I

Marginal Citations

M5 1979 c. 4.

7 Meaning of “sparkling” in relation to wine and made-wine.

In Schedule 1 to the ^{M6} Alcoholic Liquor Duties Act 1979 (wine and made-wine), in paragraph 1(1) under the heading “Interpretation” (meaning of “sparkling”), for the

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

words “1 bar in excess of atmospheric pressure” there shall be substituted the words “1.5 bars in excess of atmospheric pressure”.

Marginal Citations

M6 1979 c. 4.

Management

8 Disclosure of information as to imports.

- (1) The Commissioners may, for the purpose of supplementing the information as to imported goods which may be made available to persons other than the Commissioners, disclose information to which this section applies to such persons as they think fit.
- (2) Such information may be so disclosed on such terms and conditions (including terms and conditions as to the payment of fees or charges to the Commissioners and the making of the information available to other persons) as the Commissioners think fit.
- (3) This section applies to information consisting of the names and addresses of persons declared as consignees in entries of imported goods, arranged by reference to such classifications of imported goods as the Commissioners think fit.
- (4) This section shall be construed as if it were contained in the ^{M7}Customs and Excise Management Act 1979.

Marginal Citations

M7 1979 c. 2.

9 Approval and regulation of warehouses.

- (1) In section 92(2) of the Customs and Excise Management Act 1979 (approval of warehouses), for paragraph (b) there shall be substituted—
 - “(b) of such other goods as the Commissioners may allow to be warehoused—
 - (i) for exportation or for use as stores in cases where relief from or repayment of any customs duty or other payment is conditional on their exportation or use as stores; or
 - (ii) for exportation or for use for a purpose referred to in a Community regulation in cases where payment of an export refund under such a regulation is conditional on their exportation or use for such a purpose,”
- (2) In section 93(2) of that Act (regulation of warehouses and warehoused goods), in paragraph (c) the words “(other than operations consisting of the mixing of spirits with wine or made-wine)” shall cease to have effect.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

10 Power to search persons.

(1) In subsection (1) of section 164 of the ^{M8} Customs and Excise Management Act 1979 (power to search persons)—

- (a) after the words “person to whom this section applies” there shall be inserted the words “ (referred to in this section as the suspect) ”; and
- (b) for the words from “any officer” onwards there shall be substituted the words “ an officer may exercise the powers conferred by subsection (2) below and, if the suspect is not under arrest, may detain him for so long as may be necessary for the exercise of those powers and (where applicable) the exercise of the rights conferred by subsection (3) below ”.

(2) For subsections (2) and (3) of that section there shall be substituted—

“(2) The officer may require the suspect—

- (a) to permit such a search of any article which he has with him; and
- (b) subject to subsection (3) below, to submit to such searches of his person, whether rub-down, strip or intimate,

as the officer may consider necessary or expedient; but no such requirement may be imposed under paragraph (b) above without the officer informing the suspect of the effect of subsection (3) below.

(3) If the suspect is required to submit to a search of his person, he may require to be taken—

- (a) except in the case of a rub-down search, before a justice of the peace or a superior of the officer concerned; and
- (b) in the excepted case, before such a superior;

and the justice or superior shall consider the grounds for suspicion and direct accordingly whether the suspect is to submit to the search.

(3A) A rub-down or strip search shall not be carried out except by a person of the same sex as the suspect; and an intimate search shall not be carried out except by a suitably qualified person.”

(3) After subsection (4) of that section there shall be inserted—

“(5) In this section—

“intimate search” means any search which involves a physical examination (that is, an examination which is more than simply a visual examination) of a person’s body orifices;

“rub-down search” means any search which is neither an intimate search nor a strip search;

“strip search” means any search which is not an intimate search but which involves the removal of an article of clothing which—

- (a) is being worn (wholly or partly) on the trunk; and
- (b) is being so worn either next to the skin or next to an article of underwear;

“suitably qualified person” means a registered medical practitioner or a registered nurse.

(6) Notwithstanding anything in subsection (4) of section 48 of the Criminal Justice (Scotland) Act 1987 (detention and questioning by customs officers),

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

detention of the suspect under subsection (1) above shall not prevent his subsequent detention under subsection (1) of that section.”

Marginal Citations

M8 1979 c. 2.

11 Time limits for arrest and proceedings.

(1) In section 138(1) of the ^{M9}Customs and Excise Management Act 1979 (power to arrest within 3 years of commission of offence) for the words “3 years” there shall be substituted the words “20 years”.

(2)

^{F6}(3) This section has effect in relation to offences committed after the passing of this Act.

Textual Amendments

F6 S. 11(2) repealed by Finance Act 1989 (c. 26, SIF 40:1), s. 187(1), Sch. 17 Pt. I

Marginal Citations

M9 1979 c. 2.

12 Punishment of offences.

(1) In the following enactments (which provide for the punishment on conviction on indictment of certain offences), namely—

- (a) sections 50(4)(b), 53(9)(b), 63(6)(b), 68(3)(b), 100(4)(b), 159(7)(b) and 170(3)(b) of the ^{M10}Customs and Excise Management Act 1979;
- (b) sections 10(7)(b), 13(5)(b) and 14(8)(b) of the ^{M11}Hydrocarbon Oil Duties Act 1979;
- (c) paragraph 16(1)(b) of Schedule 3 to the ^{M12}Betting and Gaming Duties Act 1981; and

^{F7}(d)

for the words “2 years” or “two years” there shall be substituted the words “7 years” or “seven years”, as appropriate.

(2) For subsection (2) of section 68A of the Customs and Excise Management Act 1979 there shall be substituted—

“(2) A person guilty of an offence under this section shall be liable—

- (a) on summary conviction, to a penalty of the prescribed sum or of three times the value of the goods, whichever is the greater, or to imprisonment for a term not exceeding 6 months, or to both; or
- (b) on conviction on indictment, to a penalty of any amount, or to imprisonment for a term not exceeding 7 years, or to both.”

(3) For subsections (1) and (2) of section 136 of that Act there shall be substituted—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

“(1) If any person, with intent to defraud Her Majesty, obtains or attempts to obtain, or does anything whereby there might be obtained by any person, any amount by way of drawback, allowance, remission or repayment of, or any rebate from, any duty in respect of any goods which—
(a) is not lawfully payable or allowable in respect thereof; or
(b) is greater than the amount so payable or allowable,
he shall be guilty of an offence under this subsection.

(1A) If any person, without such intent as is mentioned in subsection (1) above, does any of the things there mentioned, he shall be guilty of an offence under this subsection.

(2) A person guilty of an offence under subsection (1) above shall be liable—
(a) on summary conviction, to a penalty of the prescribed sum or of three times the value of the goods, whichever is the greater, or to imprisonment for a term not exceeding 6 months, or to both; or
(b) on conviction on indictment, to a penalty of any amount, or to imprisonment for a term not exceeding 7 years, or to both;

and a person guilty of an offence under subsection (1A) above shall be liable on summary conviction to a penalty of level 3 on the standard scale or three times the amount which was or might have been improperly obtained or allowed, whichever is the greater.” and in subsection (3) of that section, after the words “subsection (1)” there shall be inserted the words “ or (1A) ”.

(4) Paragraph 13 of Schedule 1^{F8} . . . to the^{M13} Betting and Gaming Duties Act 1981 shall^{F8} . . . be amended as follows—

- (a) in sub-paragraph (3), in paragraph (a), the words from “or, with intent” to “material particular” shall cease to have effect;
- (b) after that paragraph there shall be inserted-
 - “(aa) in that connection, with intent to deceive, produces or makes use of any book, account, record, return or other document which is false in a material particular, or”
- (c) in paragraph (ii) of that sub-paragraph, for the words “two years” there shall be substituted the words “ the maximum term ”; and
- (d) after that sub-paragraph there shall be inserted—

“(4) In sub-paragraph (3) above, “the maximum term” means two years in the case of an offence under paragraph (a) and seven years in the case of an offence under paragraph (aa) or (b) of that sub-paragraph.”

^{F9}(5)

(6) This section has effect in relation to offences committed after the passing of this Act.

Textual Amendments

- F7** S. 12(1)(d) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 9](#) Group 5
- F8** Words in s. 12(4) repealed (19.3.1997 with effect on 1.10.1997 as mentioned in note 2 of Sch. 18 Pt. II of the repealing Act) by [1997 c. 16, s. 113](#), [Sch. 18 Pt. II](#) note 2
- F9** S. 12(5) repealed (22.7.2004) by [Statute Law \(Repeals\) Act 2004 \(c. 14\)](#), [Sch. 1 Pt. 9](#) Group 5

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Marginal Citations

M10 1979 c. 2.

M11 1979 c. 5.

M12 1981 c. 63.

M13 1981 c. 63.

^{F10}**PART II**

VALUE ADDED TAX

Textual Amendments

F10 Pt. II (ss. 13-22) repealed (1.9.1994 with effect as mentioned in s. 101(1)) by 1994 c. 23, ss. 100(2), 101(1), **Sch. 15**

Exemptions

Administration

Civil penalties

Miscellaneous

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER I

GENERAL

Tax rates and personal reliefs

F14²³ Charge and basic rate of income tax for 1988-89.

.....

Textual Amendments

F14 Ss. 23-25 repealed (6.4.2007) by *Income Tax Act 2007* (c. 3), s. 1034(1), **Sch. 3 Pt. 1** (with Sch. 2)

F14²⁴ Higher and additional rates of income tax.

.....

Textual Amendments

F14 Ss. 23-25 repealed (6.4.2007) by *Income Tax Act 2007* (c. 3), s. 1034(1), **Sch. 3 Pt. 1** (with Sch. 2)

F14²⁵ Personal reliefs.

.....

Textual Amendments

F14 Ss. 23-25 repealed (6.4.2007) by *Income Tax Act 2007* (c. 3), s. 1034(1), **Sch. 3 Pt. 1** (with Sch. 2)

26 Charge and rate of corporation tax for financial year 1988.

Corporation tax shall be charged for the financial year 1988 at the rate of 35 per cent.

27 Corporation tax: small companies.

- (1) For the financial year 1988 the small companies rate shall be 25 per cent.
- (2) For the financial year 1988 the fraction mentioned in section 13(2) of the Taxes Act 1988, and in section 95(2) of the ^{M24}Finance Act 1972, (marginal relief for small companies) shall be one fortieth.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Marginal Citations

M24 1972 c. 41.

F15 **28**

Textual Amendments

F15 S. 28 repealed (6.8.1999 with effect as mentioned in Sch. 29 Pt. VIII(21) notes 4, 5 of the amending Act) by 1995 c. 4, s. 162, **Sch. 20 Pt. VIII(21)**; S.I. 1999/2156, **art. 2(b)**

29 Life assurance premium relief.

(1) In sections 266(5)(a) and 274(3)(a) of the Taxes Act 1988, and in paragraph 3(3)(a) of Schedule 14 to that Act, (rate of relief on premiums on life policies etc.) for the words “15 per cent.” wherever they occur there shall be substituted the words “ 12.5 per cent. ”.

(2) This section shall have effect on and after 6th April 1989.

F16 **30**

Textual Amendments

F16 S. 30 repealed (27.7.1999 with effect for the year 2000-01 and subsequent years of assessment) by 1999 c. 16, s. 139, **Sch. 20 Pt. III(4)**, note

31 Non-residents’ personal reliefs.

(1) For the year 1990-91 and subsequent years of assessment section 278 of the Taxes Act 1988 (which with certain exceptions denies relief under Chapter I of Part VII to non-residents) shall have effect with the following amendments.

F17 (2)

(3) After subsection (2) there shall be inserted—

“(2A) Notwithstanding subsection (2) above, no relief shall be given under section 257D in a case where the husband is not resident in the United Kingdom.”

(4) Subsections (3) to (7) shall be omitted.

Textual Amendments

F17 S. 31(2) omitted (5.12.2005) by virtue of **The Tax and Civil Partnership Regulations 2005** (S.I. 2005/3229), regs. 1(1), **60(2)**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Married couples

32 Abolition of aggregation of income.

Section 279 of the Taxes Act 1988 (which treats the income of a woman living with her husband as his income for income tax purposes) shall not have effect for the year 1990-91 or any subsequent year of assessment.

^{F18}33 Personal allowance and married couple's allowance.

.....

Textual Amendments

F18 S. 33 omitted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 1 para. 6\(b\)](#)

^{F19}34 Jointly held property.

.....

Textual Amendments

F19 S. 34 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

35 Minor and consequential provisions.

Schedule 3 to this Act (which makes provision consequential on sections 32 and 33 above and other minor amendments relating to the treatment for income tax purposes of husbands, wives, widowers and widows) shall have effect.

Annual payments

36 Annual payments.

- ^{F20}(1)
- ^{F21}(2)
- ^{F21}(3)
- ^{F21}(4)
- ^{F21}(5)
- ^{F21}(5A)
- ^{F21}(6)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F20 S. 36(1) repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 27 Pt. 2\(3\)](#)

F21 S. 36(2)-(6) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

Modifications etc. (not altering text)

C2 S. 36(3) excluded (27.7.1999 with effect in relation to any payment falling due on or after 6.4.2000) by 1999 c. 16, [s. 36\(7\)\(8\)](#)

F²²37 Maintenance payments under existing obligations:

.....

Textual Amendments

F22 S. 37 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

F²³38 Maintenance payments under existing obligations:

.....

Textual Amendments

F23 S. 38 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

F²⁴39

Textual Amendments

F24 S. 39 repealed (27.7.1999 with effect in relation to any payment falling due on or after 6.4.2000) by 1999 c. 16, s. 139, [Sch. 20 Pt. III\(6\)](#), note

F²⁵40 Provisions supplementary to sections 37 to 39.

.....

Textual Amendments

F25 S. 40 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

Relief for interest

41 Qualifying maximum for loans.

For the year 1988-89 the qualifying maximum defined in section 367(5) of the Taxes Act 1988 (limit on relief for interest on certain loans) shall be £30,000.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F26 **42**

Textual Amendments

F26 S. 42 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(7) note 4 of the amending Act) by 1999 c. 16, s. 139, **Sch. 20 Pt. III(7)**

F27 **43**

Textual Amendments

F27 S. 43 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(7) note 4 of the amending Act) by 1999 c. 16, s. 139, **Sch. 20 Pt. III(7)**

F28 **44**

Textual Amendments

F28 S. 44 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(7) note 4 of the amending Act) by 1999 c. 16, s. 139, **Sch. 20 Pt. III(7)**

Benefits in kind

45 Car benefits.

(1) In Schedule 6 to the Taxes Act 1988 (taxation of directors and others in respect of cars) for Part I (tables of flat rate cash equivalents) there shall be substituted—

“PART I

TABLES OF FLAT RATE CASH EQUIVALENTS

Table A

**CARS WITH AN ORIGINAL MARKET VALUE UP
TO £19,250 AND HAVING A CYLINDER CAPACITY**

<i>Cylinder capacity of car in cubic centimetres</i>	<i>Age of car at end of relevant year of assessment</i>	
	<i>Under 4 years</i>	<i>4 years or more</i>
1400 or less	£1,050	£700
More than 1400 but not more than 2000	£1,400	£940

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

More than 2000	£2,200	£1,450
----------------	--------	--------

Table B

**CARS WITH AN ORIGINAL MARKET VALUE UP TO
£19,250 AND NOT HAVING A CYLINDER CAPACITY**

<i>Original market value of car</i>	<i>Age of car at end of relevant year of assessment</i>	
	Under 4 years	4 years or more
Less than £6,000	£1,050	£700
£6,000 or more but less than £8,500	£1,400	£940
£8,500 or more but not more than £19,250	£2,200	£1,450

Table C

CARS WITH AN ORIGINAL MARKET VALUE OF MORE THAN £19,250

<i>Original market value of car</i>	<i>Age of car at end of relevant year of assessment</i>	
	Under 4 years	4 years or more
More than £19,250 but not more than £29,000	£2,900	£1,940
More than £29,000	£4,600	£3,060”

(2) This section shall have effect for the year 1988-89 and subsequent years of assessment.

^{F29}46 Car parking facilities.

.....

Textual Amendments

F29 S. 46 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with Sch. 7)

47 Entertainment: non-cash vouchers.

^{F30}(1)

(2) In subsection (1) of section 36 of the ^{M25}Finance (No. 2) Act 1975 (vouchers other than cash vouchers), for the words “Subject to subsection (2) below” there shall be substituted the words “ Subject to the provisions of this section ”.

(3) The provision set out in subsection (1) above shall be inserted after subsection (3A) of that section as subsection (3B) with the substitution—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) for the reference to section 839 of the Taxes Act 1988 of a reference to section 533 of the Taxes Act 1970; and
 - (b) for any reference to a non-cash voucher of a reference to a voucher.
- (4) The amendment made by subsection (1) above shall have effect for the year 1988-89 and subsequent years of assessment; and the amendments made by subsections (2) and (3) above shall have effect for the year 1987-88.

Textual Amendments

F30 S. 47(1) repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

Marginal Citations

M25 1975 c. 45.

48 Entertainment: credit-tokens.

^{F31}(1)

- (2) The provision set out in subsection (1) above shall be inserted after subsection (3) of section 36A of the ^{M26}Finance (No. 2) Act 1975 (credit-tokens) as subsection (3A) with the substitution for the reference to section 839 of the Taxes Act 1988 of a reference to section 533 of the Taxes Act 1970.
- (3) The amendment made by subsection (1) above shall have effect for the year 1988-89 and subsequent years of assessment; and the amendment made by subsection (2) above shall have effect for the year 1987-88.

Textual Amendments

F31 S. 48(1) repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

Marginal Citations

M26 1975 c. 45.

49 Entertainment of directors and higher-paid employees.

^{F32}(1)

- (2) The provision set out in subsection (1) above shall be added at the end of section 62 of the ^{M27}Finance Act 1976 as subsection (9) with the substitution—
 - (a) for the reference to section 154 of the Taxes Act 1988 of a reference to section 61 of the 1976 Act; and
 - (b) for the reference to section 839 of the Taxes Act 1988 of a reference to section 533 of the Taxes Act 1970.
- (3) The amendment made by subsection (1) above shall have effect for the year 1988-89 and subsequent years of assessment; and the amendment made by subsection (2) above shall have effect for the year 1987-88.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F32 S. 49(1) repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

Marginal Citations

M27 1976 c. 40.

Business expansion scheme

F33 **50**

Textual Amendments

F33 S. 50 repealed (3.5.1994 with effect on 1.1.1994 as mentioned in Sch. 26 Pt. V(17) of the repealing Act) by [1994 c. 9](#), s. 258, [Sch. 26 Pt. V\(17\)](#), note

51 Restriction of relief.

- (1) The Taxes Act 1988 shall have effect, and be deemed always to have had effect, with the following amendments, namely—
- (a) in section 289(12)(b), the substitution of the words “sections 290A, 293” for the words “ sections 293 ”; and
 - (b) the insertion after section 290 of the following section—

“290A Restriction of relief where amounts raised exceed permitted maximum.

- (1) Where—
- (a) a company raises any amount through the issue of eligible shares after 15th March 1988; and
 - (b) the aggregate of that amount and of all other amounts (if any) so raised within the period mentioned in subsection (2) below exceeds £500,000,
- the relief shall not be given in respect of the excess.
- (2) The period referred to in subsection (1) above is—
- (a) the period of 6 months ending with the date of the issue of the shares; or
 - (b) the period beginning with the preceding 6th April and ending with the date of that issue,
- whichever is the longer.
- (3) In determining the aggregate mentioned in subsection (1) above, no account shall be taken of any amount—
- (a) which is subscribed by a person other than an individual who qualifies for relief; or

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

(b) as respects which relief is precluded by section 290 or this section.

(4) Where—

(a) at any time within the relevant period, the company in question or any of its subsidiaries carries on any trade or part of a trade in partnership, or as a party to a joint venture, with one or more other persons; and

(b) that other person, or at least one of those other persons, is a company,

the reference to £500,000 in subsection (1) above shall have effect as if it were a reference to—

$$\frac{\pounds 500,000}{1+A},$$

where A is the total number of companies (apart from the company in question or any of its subsidiaries) which, during the relevant period, are members of any such partnership or parties to any such joint venture.

(5) Where this section precludes the giving of relief on claims in respect of shares issued to two or more individuals, the available relief shall be divided between them in proportion to the amounts which have been respectively subscribed by them for the shares to which their claims relate and which would, apart from this section, be eligible for relief.

(6) Where—

(a) in the case of a company falling within subsection (2)(a) of section 293, the qualifying trade or each of the qualifying trades is a trade to which subsection (7) below applies;

(b) in the case of a company falling within subsection (2)(b)(i) of that section, the subsidiary or each of the subsidiaries is a dormant subsidiary or exists wholly, or substantially wholly, for the purpose of carrying on one or more qualifying trades which or each of which is a trade to which subsection (7) below applies; or

(c) in the case of a company falling within subsection (2)(b)(ii) of that section, the requirements mentioned in each of paragraphs (a) and (b) above are satisfied,

subsections (1) and (4) above shall have effect as if for the amount there specified there were substituted £5 million.

(7) This subsection applies to a trade if it consists, wholly or substantially wholly, of operating or letting ships, other than oil rigs or pleasure craft, and—

(a) every ship operated or let by the company carrying on the trade is beneficially owned by the company;

(b) every ship beneficially owned by the company is registered in the United Kingdom;

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (c) throughout the relevant period the company is solely responsible for arranging the marketing of the services of its ships; and
 - (d) the conditions mentioned in section 297(7) are satisfied in relation to every letting by the company.
- (8) Where—
- (a) any of the requirements mentioned in paragraphs (a) to (c) of subsection (7) above are not satisfied in relation to any ships; or
 - (b) any of the conditions referred to in paragraph (d) of that subsection are not satisfied in relation to any lettings,
- the trade shall not thereby be precluded from being a trade to which that subsection applies if the operation or letting of those ships, or, as the case may be, those lettings do not amount to a substantial part of the trade.
- (9) The Treasury may by order amend any of the foregoing provisions of this section by substituting a different amount for the amount for the time being specified there.
- (10) Where—
- (a) the issue of the eligible shares is made in pursuance of a prospectus published, or an offer in writing made, before 15th March 1988;
 - (b) the shares are issued after that date and before 6th April 1988; and
 - (c) subsection (6) above does not apply,
- subsections (1) and (4) above shall have effect as if for the amount there specified there were substituted £1 million.
- (11) In this section—
- “let” means let on charter and “letting” shall be construed accordingly;
 - “oil rig” and “pleasure craft” have the same meanings as in section 297;
 - “prospectus” has the meaning given by section 744 of the Companies Act 1985 or Article 2(3) of the Companies (Northern Ireland) Order 1986.”
- (2) Schedule 5 to the ^{M28}Finance Act 1983 shall be deemed always to have had effect as if—
- (a) in paragraph 2(7), for the words “paragraphs 5” there had been substituted the words “ paragraphs 3A, 5 ”; and
 - (b) the provisions set out in subsection (1)(b) above had been inserted, with any necessary modifications, after paragraph 3 as paragraph 3A.

Marginal Citations

M28 1983 c. 28.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

52 Valuation of interests in land.

(1) In section 294 of the Taxes Act 1988 (companies with interests in land), after subsection (5) there shall be inserted—

“(5A) For the purposes of this section, the value of an interest in any building or other land shall be adjusted by deducting the market value of any machinery or plant which is so installed or otherwise fixed in or to the building or other land as to become, in law, part of it.”

(2) This section shall have effect in relation to valuations which fall to be made after the passing of this Act.

^{F34}53 Approved investment funds.

.....

Textual Amendments

F34 S. 53 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 2](#) (with [Sch. 2](#))

Pensions etc.

^{F35}54 Personal pension schemes: commencement.

.....

Textual Amendments

F35 Ss. 54-56 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#) (with [Sch. 36](#))

^{F35}55 Personal pension schemes: other amendments.

.....

Textual Amendments

F35 Ss. 54-56 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#) (with [Sch. 36](#))

^{F35}56 Occupational pension schemes.

.....

Textual Amendments

F35 Ss. 54-56 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#) (with [Sch. 36](#))

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F36 57 Lump sum benefits paid otherwise than on retirement.

.....

Textual Amendments

F36 S. 57 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

Underwriters

58 Assessment and collection.

(1) For subsection (2) of section 450 of the Taxes Act 1988 (underwriters) there shall be substituted—

“(2) The aggregate for any year of assessment of—

- (a) the profits or gains arising to a member from his underwriting business; and
- (b) the profits or gains arising to him from assets forming part of a premiums trust fund,

shall be chargeable to tax under Case I of Schedule D; but nothing in this subsection shall affect the manner in which the amount of those profits or gains is to be computed.

(2A) Schedule 19A shall have effect with respect to the assessment and collection of tax charged under Case I of Schedule D in accordance with this section.”

(2) Section 39 of the ^{M29}Finance Act 1973 shall be renumbered as subsection (1) of that section and after that provision as so renumbered there shall be inserted—

“(2) Schedule 16A to this Act shall have effect with respect to the assessment and collection of tax charged under Case I of Schedule D in accordance with Schedule 16 to this Act.”

(3) In Schedule 16 to that Act (underwriters)—

- (a) the subsection (2) set out in subsection (1) above shall be inserted after paragraph 2 as paragraph 2A; and
- (b) paragraph 16 (assessment on agent) shall cease to have effect.

(4) The provisions set out in Schedule 5 to this Act shall be inserted—

- (a) after Schedule 19 to the Taxes Act 1988 as Schedule 19A; and
- (b) after Schedule 16 to the Finance Act 1973 as Schedule 16A.

(5) Subsections (1) and (4)(a) above shall have effect for the year 1988-89 and subsequent years of assessment; and subsections (2), (3) and (4)(b) above shall have effect for the years 1986-87 and 1987-88.

Marginal Citations

M29 1973 c. 51.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

59 Reinsurance: general.

- (1) In subsection (4) of section 450 of the Taxes Act 1988 (underwriters), for paragraph (b) there shall be substituted—
 - “(b) any insurance money payable to him under that insurance in respect of a loss shall be taken into account as a trading receipt in computing those profits or gains for the year of assessment which corresponds to the underwriting year in which the loss arose;”
- (2) The amendment set out in subsection (1) above shall also be made in paragraph 4 of Schedule 16 to the Finance Act 1973 (underwriters).
- (3) Subsection (1) above shall have effect for the year 1988-89 and subsequent years of assessment; and subsection (2) above shall have effect for the years 1985-86, 1986-87 and 1987-88.

60 Reinsurance to close.

- (1) For subsection (5) of section 450 of the Taxes Act 1988 (underwriters) there shall be substituted—
 - “(5) Subsection (5A) below applies where—
 - (a) in accordance with the rules or practice of Lloyd’s and in consideration of the payment of a premium, one member agrees with another to meet liabilities arising from the latter’s business for an underwriting year so that the accounts of the business for that year may be closed; and
 - (b) the member by whom the premium is payable is a continuing member, that is, a member not only of the syndicate as a member of which he is liable to pay the premium (“the reinsured syndicate”) but also of the syndicate as a member of which the other member is entitled to receive it (“the reinsurer syndicate”).
 - (5A) In any case where this subsection applies—
 - (a) in computing for the purposes of income tax the profits or gains of the continuing member’s business as a member of the reinsured syndicate, the amount of the premium shall be deductible as an expense of his only to the extent that it is shown not to exceed a fair and reasonable assessment of the value of the liabilities in respect of which it is payable; and
 - (b) in computing for those purposes the profits or gains of his business as a member of the reinsurer syndicate, those profits or gains shall be reduced by an amount equal to any part of a premium which, by virtue of paragraph (a) above, is not deductible as an expense of his as a member of the reinsured syndicate;and the assessment referred to above shall be taken to be fair and reasonable only if it is arrived at with a view to producing the result that a profit does not accrue to the member to whom the premium is payable but that he does not suffer a loss.”
- (2) The provisions set out in subsection (1) above, but renumbered as subsections (1) and (2) and with the substitution, in the provision renumbered as subsection (1), of the words “subsection (2)” for the words “subsection (5A)”, shall also be substituted for subsections (1) to (4) of section 70 of the ^{M30}Finance (No. 2) Act 1987 (underwriters);

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

and in subsection (5) of that section, for the word “underwriter” there shall be substituted the word “ member ”.

(3) In this section—

- (a) subsection (1) shall have effect in relation to premiums payable in connection with the closing of accounts of a member’s business for an underwriting year ending in the year 1988-89 or any subsequent year of assessment; and
- (b) subsection (2) shall have effect in relation to premiums payable in connection with the closing of accounts of a member’s business for an underwriting year ending in the year 1985-86, 1986-87 or 1987-88.

Marginal Citations

M30 1987 c. 51.

61 Minor and consequential amendments.

(1) In the Taxes Act 1988—

- ^{F37}(a)
- (b) in section 451, in subsection (1), for paragraph (a) there shall be substituted—
 - “(a) for the assessment and collection of tax charged in accordance with section 450 (so far as not provided for by Schedule 19A);
 - (aa) for making, in the event of any changes in the rules or practice of Lloyd’s, such amendments of that Schedule as appear to the Board to be expedient having regard to those changes;”
- (c) after that subsection there shall be inserted—
 - “(1A) Regulations under subsection (1) above may make provision with respect to the year of assessment next but one preceding the year of assessment in which they are made.”; and
- (d) in section 452(8), for the words “Case I of Schedule D” there shall be substituted the words “ in accordance with section 450 ” and the words “the investments forming part of the premiums trust fund of the underwriter” shall cease to have effect.

(2) In Schedule 10 to the Taxes Act 1970, in paragraph 7(3), for the words “Case I of Schedule D” there shall be substituted the words “ in accordance with Schedule 16 to ^{M31}Finance Act 1973 ” and the words “the investments forming part of the premiums trust fund of the underwriter” shall cease to have effect.

(3) In section 87 of the ^{M32}Finance Act 1972, at the beginning of subsection (3) there shall be inserted the words “ Except as provided by Schedule 16 to Finance Act 1973 (underwriters) ”.

(4) In Schedule 16 to the ^{M33}Finance Act 1973—

- (a) in sub-paragraph (1) of paragraph 17, for paragraph (a) there shall be substituted—
 - “(a) for the assessment and collection of tax charged in accordance with the preceding provisions of this Schedule (so far as not provided for by Schedule 16A to this Act);

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (aa) for making, in the event of any changes in the rules or practice of Lloyd's, such amendments of that Schedule as appear to the Board to be expedient having regard to those changes;"
 - (b) after that sub-paragraph, there shall be inserted—
 - “(1A) Regulations under this paragraph may make provision with respect to the year of assessment next but one preceding the year of assessment in which they are made.”
- (5) Subsection (1) above shall have effect for the year 1988-89 and subsequent years of assessment; and subsections (2) to (4) above shall have effect for the years 1986-87 and 1987-88.

Textual Amendments

F37 S. 61(1)(a) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

Marginal Citations

M31 1973 c. 51.
M32 1972 c. 41.
M33 1973 c. 51.

Oil licences

F38 **62**

Textual Amendments

F38 S. 62 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch. 12](#) (with ss. 101(1), 201(3), 290, [Sch. 11](#) paras. 22, 26(2), 27)

F39 **63**

Textual Amendments

F39 S. 63 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch. 12](#) (with ss. 101(1), 201(3), 290, [Sch. 11](#) paras. 22, 26(2), 27)

F40 **64**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F40 S. 64 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Miscellaneous

F41 65 Commercial woodlands.

.....

Textual Amendments

F41 S. 65 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), Sch. 1 para. 331, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

F42 66 Company residence.

.....

Textual Amendments

F42 S. 66 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), Sch. 1 para. 332, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

F44 F43 66A Residence of SE or SCE

.....

Textual Amendments

F43 S. 66A inserted (with effect in accordance with s. 60(3) of the amending Act) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), **s. 60(1)**
F44 S. 66A repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), Sch. 1 para. 333, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

F45 67

Textual Amendments

F45 S. 67 repealed (31.7.1998 with effect as mentioned in Sch. 27 Pt. III(11) of the repealing Act) by [1998 c. 36](#), s. 165, **Sch. 27 Pt. III(11)** note

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F46 68 Priority share allocations for employees etc.

.....

Textual Amendments

F46 S. 68 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

F47 69 Share options: loans.

.....

Textual Amendments

F47 S. 69 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

70 Charities: payroll deduction scheme.

- (1) In section 202(7) of the Taxes Act 1988 (which limits to £120 the deductions attracting relief) for “£120” there shall be substituted “£240”.
- (2) This section shall have effect for the year 1988-89 and subsequent years of assessment.

F48 71 Unit trusts: relief on certain payments.

.....

Textual Amendments

F48 S. 71 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

F49 72 Entertainment of overseas customers.

.....

Textual Amendments

F49 S. 72 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

73 Consideration for certain restrictive undertakings.

- F50**(1)
- F51**(2)
- F51**(3)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F51(4)

Textual Amendments

- F50** S. 73(1) repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))
- F51** S. 73(2)-(4) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 1 para. 334](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

F52 74

Textual Amendments

- F52** S. 74 repealed (31.7.1998 with effect on 6.4.1998 as mentioned in s. 58(4) of the repealing Act) by [1998 c. 36](#), s. 165, [Sch. 27 Pt. III\(9\)](#) note

75 Premiums for leases etc.

Sections 39(3) and 780(5) of, and Schedule 2 to, the Taxes Act 1988 (top-slicing relief where premiums for leases etc. chargeable to income tax) shall not have effect for the year 1988-89 or any subsequent year of assessment.

F53 76

Textual Amendments

- F53** S. 76 repealed (29.4.1996 with effect as mentioned in [Sch. 41 Pt. V\(2\)](#) of the repealing Act) by [1996 c. 8](#), s. 205, [Sch. 41 Pt. V\(2\)](#) notes, [Pt. V\(19\)](#)

CHAPTER II

UNAPPROVED EMPLOYEE SHARE SCHEMES

Modifications etc. (not altering text)

- C3** [Pt. III Ch. II \(ss. 77-89\)](#) applied (6.3.1992 with effect as mentioned in s. 289 of the applying Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [ss. 120\(1\), 289](#), (with [ss. 60, 101\(1\), 171, 201\(3\)](#))

Preliminary

F54 77 **Scope of Chapter.**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

Charges to tax

^{F54}78 Charge where restrictions removed etc.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

^{F54}79 Charge for shares in dependent subsidiaries.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

^{F54}80 Charge on special benefits.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

Miscellaneous

^{F54}81 Changes in interest.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F5482 Company reorganisations etc.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 8 Pt. 1** (with [Sch. 7](#))

F5483 Connected persons etc.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 8 Pt. 1** (with [Sch. 7](#))

F5484 Capital gains tax.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 8 Pt. 1** (with [Sch. 7](#))

F5485 Information.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 8 Pt. 1** (with [Sch. 7](#))

Supplementary

F5486 Meaning of “dependent subsidiary”.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, **Sch. 8 Pt. 1** (with [Sch. 7](#))

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F54 87 Other interpretation provisions.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

F54 88 Transitional provisions.

.....

Textual Amendments

F54 Ss. 77-88 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

89 Consequential amendments.

In relation to acquisitions of shares or interests in shares on or after 26th October 1987—

(a) for the words from “section 138(1)(a)” to “value of the shares” in ^{F55}... section 186(2)(b) (approved profit sharing schemes) of the Taxes Act 1988, and

^{F56}(b)

there shall be substituted the words “ section 78 or 79 of the Finance Act 1988 in respect of the shares ”.

Textual Amendments

F55 Words in s. 89(a) repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

F56 S. 89(b) repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723, Sch. 8 Pt. 1](#) (with Sch. 7)

CHAPTER III

CAPITAL ALLOWANCES

F57 90

Textual Amendments

F57 S. 90 repealed by [Capital Allowances Act 1990 \(c. 1, SIF 63:1\), s. 164\(4\)\(5\), Sch. 2.](#)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F58⁹¹

Textual Amendments

F58 S. 91 repealed by Capital Allowances Act 1990 (c. 1, SIF 63:1), s. 164(4)(5), Sch. 2.

F59⁹²

Textual Amendments

F59 S. 92 repealed by Capital Allowances Act 1990 (c. 1, SIF 63:1), s. 164(4)(5), Sch. 2.

F60⁹³

Textual Amendments

F60 S. 93 repealed by Capital Allowances Act 1990 (c. 1, SIF 63:1), s. 164(4)(5), Sch. 2.

F61⁹⁴

Textual Amendments

F61 S. 94 repealed by Capital Allowances Act 1990 (c. 1, SIF 63:1), s. 164(4)(5), Sch. 2.

F62⁹⁵

Textual Amendments

F62 S. 95 repealed by Capital Allowances Act 1990 (c. 1, SIF 63:1), s. 164(4)(5), Sch. 2.

CHAPTER IV

CAPITAL GAINS

Re-basing to 1982

F63⁹⁶

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F63 S. 96 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F64⁹⁷

Textual Amendments

F64 S. 97 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Unification of rates of tax on income and capital gains

F65⁹⁸

Textual Amendments

F65 S. 98 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F66⁹⁹

Textual Amendments

F66 S. 99 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F67¹⁰⁰

Textual Amendments

F67 S. 100 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F68¹⁰¹

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F68 S. 101 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F69 **102**

Textual Amendments

F69 S. 102 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F70 **103**

Textual Amendments

F70 S. 103 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Married couples

F71 **104**

Textual Amendments

F71 S. 104 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Company migration

105 Deemed disposal of assets on company ceasing to be resident in U.K.

- F72**(1)
- F72**(2)
- F72**(3)
- F72**(4)
- F72**(5)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

^{F73}(6)

(7) This section and sections 106 and 107 below shall be deemed to have come into force on 15th March 1988.

Textual Amendments

F72 S. 105(1)-(5) repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F73 S. 105(6) omitted (with effect in accordance with Sch. 17 para. 13 of the amending Act) by virtue of Finance Act 2009 (c. 10), **Sch. 17 para. 3(a)**

^{F74}**106**

Textual Amendments

F74 S. 106 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

^{F75}**107**

Textual Amendments

F75 S. 107 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Miscellaneous

^{F76}**108**

Textual Amendments

F76 S. 108 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

^{F77}**109**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F77 S. 109 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F78 **110**

Textual Amendments

F78 S. 110 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F79 **111**

Textual Amendments

F79 S. 111 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F80 **112**

Textual Amendments

F80 S. 112 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F81 **113**

Textual Amendments

F81 S. 113 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F82 **114**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F82 S. 114 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

^{F83} **115**

Textual Amendments

F83 S. 115 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

^{F84} **116**

Textual Amendments

F84 S. 116 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

117 Definition of “investment trust”.

- (1) In section 842 of the Taxes Act 1988 (definition of “investment trust”)—
- (a) before paragraph (a) of subsection (1) there shall be inserted—
 - “(aa) that the company is resident in the United Kingdom; and”
 - (b) for paragraph (c) of that subsection there shall be substituted—
 - “(c) that the shares making up the company’s ordinary share capital (or, if there are such shares of more than one class, those of each class) are quoted on the Stock Exchange; and”;
 - and
 - (c) after that subsection there shall be inserted—
 - “(1A) For the purposes of paragraph (b) of subsection (1) above and the other provisions of this section having effect in relation to that paragraph—
 - (a) holdings in companies which are members of a group (whether or not including the investing company) and are not excluded from that paragraph shall be treated as holdings in a single company; and
 - (b) where the investing company is a member of a group, money owed to it by another member of the group shall be treated as a security of the latter held by the investing company and accordingly as, or as part of, the holding of the investing company in the company owing the money;

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

and for the purposes of this subsection “group” means a company and all companies which are its 51 per cent. subsidiaries.”

- (2) The repeal by the ^{M34}Finance (No. 2) Act 1987 of section 93 of the ^{M35}Finance Act 1972 shall be treated as not having extended to subsection (6) of that section (amendment of definition of “investment trust” in section 359 of the Taxes Act 1970).
- (3) [^{F85}For section 266(4) of the M3Companies Act 1985 there shall be substituted—
- “(4) Subsections (1A) to (3) of section 842 of the Income and Corporation Taxes Act 1988 apply for the purposes of subsection (2)(b) above as for those of subsection (1)(b) of that section.”; and for Article 274(4) of the M4Companies (Northern Ireland) Order 1986 there shall be substituted—
- (4) Subsections (1A) to (3) of section 842 of the Income and Corporation Taxes Act 1988 apply for the purposes of paragraph (2)(b) as for those of subsection (1)(b) of that section.”]
- (4) Subsections (1) [^{F86}and (3)] above shall have effect for companies’ accounting periods ending after 5th April 1988 and subsection (2) above shall have effect for companies’ accounting periods ending on or before that date.

Textual Amendments

- F85** S. 117(3) repealed (6.4.2008 for specified purposes) by [Companies Act 2006 \(c. 46\)](#), s. 1300(2), [Sch. 16](#); S.I. 2007/3495, art. 8(a), [Sch. 2 Pts. 1, 2](#) (with arts. 712)
- F86** Words in s. 117(4) repealed (6.4.2008 for specified purposes) by [Companies Act 2006 \(c. 46\)](#), s. 1300(2), [Sch. 16](#); S.I. 2007/3495, art. 8(a), [Sch. 2 Pt. 1](#) (with arts. 712)

Marginal Citations

- M34** 1987 c. 51.
M35 1972 c. 41.

^{F87} **118**

Textual Amendments

- F87** S. 118 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch. 12](#) (with ss. 101(1), 201(3), 290, [Sch. 11 paras. 22, 26\(2\), 27](#))

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

CHAPTER V

MANAGEMENT

Assessment

119 Current year assessments.

- (1) Section 29 of the ^{M36}Taxes Management Act 1970 (assessment procedure) shall have effect subject to the following amendments.
- (2) In subsection (1), after paragraph (b) there shall be added—
 - “(c) where income tax is charged for a year of assessment in respect of income arising in that year, the inspector may make an assessment during that year to the best of his judgment, by reference to actual income or estimated income (whether from any particular source or generally) or partly by reference to one and partly by reference to the other.”
- (3) After subsection (1) there shall be inserted—
 - “(1A) Where an assessment is made by virtue of subsection (1)(c) above, any necessary adjustments shall be made after the end of the year (whether by way of assessment, repayment of tax or otherwise) to secure that tax is charged in respect of income actually arising in the year.”

Marginal Citations

M36 1970 c. 9.

Returns of income and gains

120 Notice of liability to income tax.

- (1) For section 7 of the Taxes Management Act 1970 there shall be substituted—
 - “**7 Notice of liability to income tax.**
 - (1) Every person who is chargeable to income tax for any year of assessment and has neither—
 - (a) delivered a return of his profits or gains or his total income for that year, nor
 - (b) received a notice under section 8 of this Act requiring such a return, shall, subject to subsections (2) to (5) below, within twelve months from the end of that year, give notice to the inspector that he is so chargeable, specifying each separate source of income.
 - (2) A source of income is excluded for the purposes of subsection (1) above in relation to any year of assessment if—
 - (a) all payments of, or on account of, income from it during that year, and
 - (b) all income from it for that year which does not consist of payments,

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

have or has been taken into account in the making of deductions or repayments of tax under section 203 of the principal Act.

- (3) A source of income is excluded for the purposes of subsection (1) above in relation to any person and any year of assessment if all income from it for that year has been assessed or has been taken into account—
- (a) in determining that person's liability to tax, or
 - (b) in the making of deductions or repayments of tax under section 203 of the principal Act.
- (4) A source of income is excluded for the purposes of subsection (1) above in relation to any person and any year of assessment if all income from it for that year is—
- (a) income from which income tax has been deducted;
 - (b) income from or on which income tax is treated as having been deducted or paid (not being income consisting of a payment to which section 559 of the principal Act applies); or
 - (c) income chargeable under Schedule F,
- and that person is not for that year liable to tax at a rate other than basic rate.
- (5) A person shall not be required to give notice under subsection (1) above in respect of a year of assessment if and to the extent that his total income for that year consists of income from sources—
- (a) which are excluded under subsections (2) to (4) above, or
 - (b) in respect of income from which he could not become liable to tax under assessments made more than twelve months after the end of that year.
- (6) If any person, for any year of assessment, fails to comply with subsection (1) above as respects any source of income, he shall be liable to a penalty not exceeding the amount of the tax for which he is liable, in respect of income from that source for that year, under assessments made more than twelve months after the end of that year.
- (7) In the case of a partner, the reference in subsection (6) above to the tax for which he is liable in respect of income from any source does not include a reference to tax assessable in the name of the partnership on so much of the income from that source as falls to be included in the total income of any other person.”

- (2) This section has effect with respect to notices required to be given for the year 1988-89 or any subsequent year of assessment.

^{F88} 121

Textual Amendments

F88 S. 121 repealed (31.7.1998 with effect as mentioned in s. 117 of the repealing Act) by 1998 c. 36, s. 165, Sch. 27 Pt. III(28), note

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

122 Notice of liability to capital gains tax.

- (1) Immediately before section 12 of the ^{M37}Taxes Management Act 1970 there shall be inserted—

“11A Notice of liability to capital gains tax.

- (1) Every person who is chargeable to capital gains tax for any year of assessment and has neither—
- (a) delivered a return of his chargeable gains for that year, nor
 - (b) received a notice under section 8 of this Act requiring such a return,
- shall, within twelve months from the end of that year, give notice to the inspector that he is so chargeable; but a person all of whose chargeable gains for a year of assessment have been assessed shall not be required to give notice under this subsection in respect of that year.
- (2) If any person, for any year of assessment, fails to comply with subsection (1) above, he shall be liable to a penalty not exceeding the amount of the tax for which he is liable, in respect of his chargeable gains for that year, under assessments made more than twelve months after the end of that year.
- (3) In this section references to a person’s chargeable gains for a year of assessment include, if section 45(1) of the Capital Gains Tax Act 1979 applies in relation to him and his wife in that year, her chargeable gains for that year.”
- (2) For subsection (1) of section 12 of that Act (information about chargeable gains) there shall be substituted—
- “(1) Section 8 of this Act shall apply in relation to capital gains tax as it applies in relation to income tax, and subject to any necessary modifications.”
- (3) This section has effect with respect to notices required to be given for the year 1988-89 or any subsequent year of assessment.

Marginal Citations

M37 1970 c. 9.

Other returns and information

123 Three year time limit.

- (1) At the end of section 13 of the ^{M38}Taxes Management Act 1970 (returns by persons in receipt of taxable income belonging to others) there shall be added—
- “(3) A notice under this section shall not require information as to any money, value, profits or gains received in a year of assessment ending more than three years before the date of the giving of the notice.”
- (2) In section 17(1) of that Act (interest paid or credited by banks etc. without deduction of income tax) after the words “during a year” there shall be inserted the words “ of assessment ”.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (3) In section 18 of that Act (particulars of interest paid without deduction of income tax) after subsection (3) there shall be inserted—

“(3A) A notice under this section shall not require information with respect to interest paid in a year of assessment ending more than three years before the date of the giving of the notice.”

- (4) At the end of section 19 of that Act (information for the purposes of Schedule A etc.) there shall be added—

“(4) A notice under this section shall not require information with respect to—

- (a) the terms applying to the lease, occupation or use of the land, or
- (b) consideration given, or
- (c) payments arising,

in a year of assessment ending more than three years before the date of the giving of the notice.”

- (5) This section has effect with respect to notices given after the passing of this Act.

Marginal Citations

M38 1970 c. 9.

124 Returns of fees, commissions etc.

- (1) At the end of section 16 of the Taxes Management Act 1970 (fees, commissions etc.) there shall be added—

“(8) In subsection (2) above references to a body of persons include references to any department of the Crown, any public or local authority and any other public body.”

- (2) This section has effect with respect to payments made in the year 1988-89 or any subsequent year of assessment.

125 Other payments and licences etc.

After section 18 of the Taxes Management Act 1970 there shall be inserted—

“18A Other payments and licences etc.

- (1) Any person by whom any payment out of public funds is made by way of grant or subsidy shall, on being so required by a notice given to him by an inspector, furnish to the inspector, within the time limited by the notice—
- (a) the name and address of the person to whom the payment has been made or on whose behalf the payment has been received, and
 - (b) the amount of the payment so made or received,
- and any person who receives any such payment on behalf of another person shall on being so required furnish to the inspector the name and address of the person on whose behalf the payment has been received, and its amount.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (2) Any person by whom licences or approvals are issued or a register is maintained shall, on being so required by a notice given to him by an inspector, furnish to the inspector, within the time limited by the notice—
 - (a) the name and address of any person who is or has been the holder of a licence or approval issued by the first-mentioned person, or to whom an entry in that register relates or related; and
 - (b) particulars of the licence or entry.
- (3) The persons to whom this section applies include any department of the Crown, any public or local authority and any other public body.
- (4) A notice is not to be given under this section unless (in the inspector's reasonable opinion) the information required is or may be relevant to any tax liability to which a person is or may be subject, or the amount of any such liability.
- (5) A notice under this section shall not require information with respect to a payment which was made, or to a licence, approval or entry which ceased to subsist—
 - (a) before 6th April 1988; or
 - (b) in a year of assessment ending more than three years before the date of the giving of the notice.
- (6) For the purposes of this section a payment is a payment out of public funds if it is provided directly or indirectly by the Crown, by any Government, public or local authority whether in the United Kingdom or elsewhere or by any Community institution.”

Production of accounts, books etc.

^{F89}126 Production of documents relating to a person's tax liability.

.....

Textual Amendments

F89 S. 126 omitted (1.4.2009) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 113(2), [Sch. 36 para. 92\(a\)](#) (with [Sch. 36 para. 38](#)); [S.I. 2009/404](#), [art. 2](#) (with [art. 12](#))

^{F90}127 Production of computer records etc.

.....

Textual Amendments

F90 S. 127 omitted (21.7.2008) by virtue of [Finance Act 2008 \(c. 9\)](#), [s. 114\(8\)\(b\)](#)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Interest and penalties

F91 128 Interest on overdue or overpaid PAYE.

.....

Textual Amendments

F91 S. 128 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

129 Two or more tax-geared penalties in respect of same tax.

(1) After section 97 of the Taxes Management Act 1970 there shall be inserted—

“97A Two or more tax-geared penalties in respect of same tax.

Where two or more penalties—

- (a) are incurred by any person and fall to be determined by reference to any income tax or capital gains tax with which he is chargeable for a year of assessment; or
- (b) are incurred by any company and fall to be determined by reference to any corporation tax with which it is chargeable for an accounting period,

each penalty after the first shall be so reduced that the aggregate amount of the penalties, so far as determined by reference to any particular part of the tax, does not exceed whichever is or, but for this section, would be the greater or greatest of them, so far as so determined.”

(2) Section 97A(a) of that Act has effect with respect to the year 1988-89 or any subsequent year of assessment; and section 97A(b) has effect with respect to accounting periods ending after 31st March 1989.

Company migration

130 Provisions for securing payment by company of outstanding tax.

(1) The requirements of subsections (2) and (3) below must be satisfied before a company ceases to be resident in the United Kingdom otherwise than in pursuance of a Treasury consent.

(2) The requirements of this subsection are satisfied if the company gives to the Board—

- (a) notice of its intention to cease to be resident in the United Kingdom, specifying the time (“the relevant time”) when it intends so to cease;
- (b) a statement of the amount which, in its opinion, is the amount of the tax which is or will be payable by it in respect of periods beginning before that time; and
- (c) particulars of the arrangements which it proposes to make for securing the payment of that tax.

(3) The requirements of this subsection are satisfied if—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) arrangements are made by the company for securing the payment of the tax which is or will be payable by it in respect of periods beginning before the relevant time; and
 - (b) those arrangements as so made are approved by the Board for the purposes of this subsection.
- (4) If any question arises as to the amount which should be regarded for the purposes of subsection (3) above as the amount of the tax which is or will be payable by the company in respect of periods beginning before the relevant time, that question shall be referred to [^{F92}the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal] , whose decision shall be final [^{F93}(notwithstanding the provisions of sections 11 and 13 of the Tribunals, Courts and Enforcement Act 2007)] .
- (5) If any information furnished by the company for the purpose of securing the approval of the Board under subsection (3) above does not fully and accurately disclose all facts and considerations material for the decision of the Board under that subsection, any resulting approval of the Board shall be void.
- (6) In this section “Treasury consent” means a consent under section 765 of the Taxes Act 1988 (restrictions on the migration etc. of companies) given for the purposes of subsection (1)(a) of that section.
- (7) In this section and sections 131 and 132 below any reference to the tax payable by a company includes a reference to—
- (a) any amount of tax which it is liable to pay under regulations made under section [^{F94}684 of the Income Tax (Earnings and Pensions) Act 2003] (PAYE);
 - (b) any income tax which it is liable to pay in respect of payments [^{F95}within section 946 of the Income Tax Act 2007 (collection of tax: deposit-takers, building societies and certain companies)] ;
 - (c) any amount representing income tax which it is liable to pay under—
 - ^{F96}(i)
 - ^{F96}(ii)
 - (iii) section [^{F97}966 of the Income Tax Act 2007] (entertainers and sportsmen);
 - (d) any amount which it is liable to pay under [^{F98}section 61 of the Finance Act 2004] (sub-contractors in the construction industry); and
 - (e) any amount which it is liable to pay under paragraph 4 of Schedule 15 to ^{M39}Finance Act 1973 (territorial extension of charge of tax).
- (8) In this section and section 132 below any reference to the tax payable by a company in respect of periods beginning before any particular time includes a reference to any interest on the tax so payable, or on tax paid by it in respect of such periods, which it is liable to pay in respect of periods beginning before or after that time.
- (9) In this section and sections 131 and 132 below any reference to a provision of the Taxes Act 1988 shall be construed, in relation to any time before 6th April 1988, as a reference to the corresponding enactment repealed by that Act.
- [^{F99}(9A) In this section any reference to a provision of the Income Tax (Earnings and Pensions) Act 2003 or the Income Tax Act 2007 shall be construed, in relation to any time at which a corresponding provision of the Taxes Act 1988 or an enactment repealed by that Act had effect, as a reference to that corresponding provision.]

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (10) This section and sections 131 and 132 below shall be deemed to have come into force on 15th March 1988.

Textual Amendments

- F92** Words in s. 130(4) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 164(a)**
- F93** Words in s. 130(4) added (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 164(b)**
- F94** Words in s. 130(7)(a) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 275(2)(a)** (with [Sch. 2](#))
- F95** Words in s. 130(7)(b) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 275(2)(b)** (with [Sch. 2](#))
- F96** S. 130(7)(c)(i)(ii) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 275\(2\)\(c\)\(i\)](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F97** Words in s. 130(7)(c)(iii) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 275(2)(c)(ii)** (with [Sch. 2](#))
- F98** Words in s. 130(7)(d) substituted (with effect in accordance with s. 77 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), **Sch. 12 para. 12(2)**
- F99** S. 130(9A) inserted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), **Sch. 1 para. 275(3)** (with [Sch. 2](#))

Modifications etc. (not altering text)

- C4** S. 130(1)-(6) excluded (3.5.1994 with application as mentioned in [s. 249\(5\)](#) of the amending Act) by [1994 c. 9, ss. 249, 250\(1\)](#)
- C5** S. 130(4) applied (with modifications) (20.11.2003) by [Transas Group Act 2003 \(c. v\)](#), **s. 7(4)**
- C6** S. 130(5) applied (with modifications) (20.11.2003) by [Transas Group Act 2003 \(c. v\)](#), **s. 7(4)**
- C7** S. 130(7)-(9) applied (with modifications) (20.11.2003) by [Transas Group Act 2003 \(c. v\)](#), **s. 7(4)**

Marginal Citations

- M39** [1973 c. 51](#).

131 Penalties for failure to comply with section 130.

- (1) If a company fails to comply with section 130 above at any time, it shall be liable to a penalty not exceeding the amount of tax which is or will be payable by it in respect of periods beginning before that time and which has not been paid at that time.
- (2) If, in relation to a company (“the migrating company”), any person does or is party to the doing of any act which to his knowledge amounts to or results in, or forms part of a series of acts which together amount to or result in, or will amount to or result in, the migrating company failing to comply with section 130 above at any time and either—
- that person is a person to whom subsection (3) below applies; or
 - the act in question is a direction or instruction given (otherwise than by way of advice given by a person acting in a professional capacity) to persons to whom that subsection applies,
- that person shall be liable to a penalty not exceeding the amount of tax which is or will be payable by the migrating company in respect of periods beginning before that time and which has not been paid at that time.
- (3) This subsection applies to the following persons, namely—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) any company which has control of the migrating company; and
 - (b) any person who is a director of the migrating company or of a company which has control of the migrating company.
- (4) In any proceedings against any person to whom subsection (3) above applies for the recovery of a penalty under subsection (2) above—
- (a) it shall be presumed that he was party to every act of the migrating company unless he proves that it was done without his consent or connivance; and
 - (b) it shall, unless the contrary is proved, be presumed that any act which in fact amounted to or resulted in, or formed part of a series of acts which together amounted to or resulted in, or would amount to or result in, the migrating company failing to comply with section 130 above was to his knowledge such an act.
- (5) References in this section to a company failing to comply with section 130 above are references to the requirements of subsections (2) and (3) of that section not being satisfied before the company ceases to be resident in the United Kingdom otherwise than in pursuance of a Treasury consent; and in this subsection “Treasury consent” has the same meaning as in that section.
- (6) In this section and section 132 below “director”, in relation to a company—
- (a) has the meaning given by subsection (8) of section 168 of the Taxes Act 1988 (read with subsection (9) of that section); and
 - (b) includes any person falling within subsection (5) of section 417 of that Act (read with subsection (6) of that section);
- and any reference to a person having control of a company shall be construed in accordance with section 416 of that Act.

Modifications etc. (not altering text)

- C8** S. 131 applied (with modifications) (20.11.2003) by [Transas Group Act 2003 \(c. v\), s. 7\(5\)](#)
- C9** S. 131(1)-(5) excluded (3.5.1994 with application as mentioned in [s. 249](#) of the amending Act) by [1994 c. 9, ss. 249, 250\(1\)](#)

132 Liability of other persons for unpaid tax.

- (1) This section applies where—
- (a) a company (“the migrating company”) ceases to be resident in the United Kingdom at any time; and
 - (b) any tax which is payable by the migrating company in respect of periods beginning before that time is not paid within six months from the time when it becomes payable.
- (2) The Board may, at any time before the end of the period of three years beginning with the time when the amount of the tax is finally determined, serve on any person to whom subsection (3) below applies a notice—
- (a) stating particulars of the tax payable, the amount remaining unpaid and the date when it became payable; and
 - (b) requiring that person to pay that amount within thirty days of the service of the notice.
- (3) This subsection applies to the following persons, namely—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) any company which is, or within the relevant period was, a member of the same group as the migrating company; and
 - (b) any person who is, or within the relevant period was, a controlling director of the migrating company or of a company which has, or within that period had, control over the migrating company.
- (4) Any amount which a person is required to pay by a notice under this section may be recovered from him as if it were tax due and duly demanded of him; and he may recover any such amount paid by him from the migrating company.
- (5) A payment in pursuance of a notice under this section shall not be allowed as a deduction in computing any income, profits or losses for any tax purposes.
- (6) In this section—
- “controlling director”, in relation to a company, means a director of the company who has control of it;
 - “group” has the meaning which would be given by section ^{F100}170 of the Taxation of Chargeable Gains Act 1992] if in that section ^{F101} . . . for references to 75 per cent. subsidiaries there were substituted references to 51 per cent. subsidiaries;
 - “the relevant period” means—
 - (a) where the time when the migrating company ceases to be resident in the United Kingdom is less than twelve months after 15th March 1988, the period beginning with that date and ending with that time;
 - (b) in any other case, the period of twelve months ending with that time.

Textual Amendments

F100 Words in s. 132(6) substituted (6.3.1992 with effect as mentioned in s. 289 of the amending Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 10 para. 16(6)** (with ss. 60, 101(1), 171, 201(3))

F101 Words in s. 132(6) repealed (28.7.2000 with effect in relation to cases in which the migrating company ceases to be resident in the United Kingdom on or after 1.4.2000) by 2000 c. 17, ss. 102, 156, **Sch. 29 Pt. II para. 15(1)(2)**, **Sch. 40 Pt. II(12)**, Note 1

Modifications etc. (not altering text)

C10 S. 132 applied (with modifications) (20.11.2003) by **Transas Group Act 2003 (c. v)**, s. 7(6)

Appeals etc.

^{F102}133 Jurisdiction of General Commissioners.

.....

Textual Amendments

F102 Ss. 133-135 omitted (1.4.2009) by virtue of **The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56)**, art. 1(2), **Sch. 1 para. 165**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F102F103 134 General Commissioners for Northern Ireland.

.....

Textual Amendments

F102 Ss. 133-135 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 165**

F103 S. 134(1) repealed (1.4.2009) by [Tribunals, Courts and Enforcement Act 2007 \(c. 15\)](#), s. 148, **Sch. 23 Pt. 1**; S.I. 2008/2696, art. 6(c)

F102 135 Cases stated in Northern Ireland.

.....

Textual Amendments

F102 Ss. 133-135 omitted (1.4.2009) by virtue of [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), **Sch. 1 para. 165**

PART IV

MISCELLANEOUS AND GENERAL

Inheritance tax

136 Reduction of rates.

(1) For the Table in Schedule 1 to the ^{M40}Inheritance Tax Act 1984 there shall be substituted—

“ TABLE OF RATES OF TAX

<i>Portion of value</i>		<i>Rate of tax</i>
<i>Lower limit</i>	<i>Upper limit</i>	<i>Per cent.</i>
£	£	
0	110,000	Nil
110,000		40”

(2) Subsection (1) above shall apply to any chargeable transfer made on or after 15th March 1988, and section 8(1) of the ^{M41}Inheritance Tax Act 1984 (indexation of rate bands) shall not apply to chargeable transfers made in the year beginning 6th April 1988.

(3) Section 8(1A) of that Act shall cease to have effect.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Marginal Citations

M40 1984 c. 51.

M41 1984 c. 51.

137 Gifts to political parties.

- (1) In section 24(1) of the Inheritance Tax Act 1984 (exemption from tax for gifts to political parties) paragraph (b) (which limits the exemption to £100,000 in respect of gifts on or within one year of the death of the transferor) shall cease to have effect.
- (2) This section shall have effect in relation to transfers of value made on or after 15th March 1988.

Petroleum revenue tax

138 Reduced oil allowance for certain Southern Basin and onshore fields.

- (1) For every relevant Southern Basin or onshore field, as defined in subsection (2) below, section 8 of the ^{M42}Oil Taxation Act 1975 (the oil allowance) shall have effect subject to the following modifications—
 - (a) in subsection (2) (the amount of the allowance for each chargeable period) for “250,000 metric tonnes” there shall be substituted “ 125,000 metric tonnes ”; and
 - (b) in subsection (6) (the total allowance for a field) for “5 million metric tonnes” there shall be substituted “ 25 million metric tonnes ”.
- (2) Subject to subsection (3) below, for the purposes of this section a “relevant Southern Basin or onshore field” is any oil field other than one—
 - (a) which is a relevant new field for the purposes of section 36 of the ^{M43}Finance Act 1983 (increased oil allowance for certain new fields); or
 - (b) for any part of which consent for development was granted to the licensee by the Secretary of State before 1st April 1982; or
 - (c) for any part of which a programme of development was served on the licensee or approved by the Secretary of State before that date.
- (3) In determining, in accordance with subsection (2) above, whether an oil field (in this subsection referred to as “the field in question”) is a relevant Southern Basin or onshore field, no account shall be taken of a consent for development granted before 1st April 1982 or a programme of development served on the licensee or approved by the Secretary of State before that date if—
 - (a) in whole or in part that consent or programme related to another oil field for which a determination under Schedule 1 to the ^{M44}Oil Taxation Act 1975 was made before the determination under that Schedule for the field in question; and
 - (b) on or after 1st April 1982, a consent for development is or was granted or a programme of development is or was served on the licensee or approved by the Secretary of State and that consent or programme relates, in whole or in part, to the field in question.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (4) Subsections (4) and (5) of section 36 of the Finance ^{M45}Act 1983 (which define “development” for the purposes of subsections (2) and (3) of that section) shall apply also for the purposes of subsections (2) and (3) of this section.
- (5) This section shall have effect in relation to chargeable periods ending after 30th June 1988.
- (6) This section shall be construed as one with Part I of the ^{M46}Oil Taxation Act 1975.

Marginal Citations

- M42 1975 c. 22.
- M43 1983 c. 28.
- M44 1975 c. 22.
- M45 1983 c. 28.
- M46 1975 c. 22.

139 ^{X2}**Assets generating tariff receipts: extension of allowable expenditure.**

- (1) In Part I of Schedule 1 to the ^{M47}Oil Taxation Act 1983 (extensions of allowable expenditure for assets generating receipts) paragraph 3 (expenditure on enhancing the value of assets no longer in use for the principal field) shall be amended as follows—
 - (a) in sub-paragraph (1)(a) after the words “enhancing the value of” there shall be inserted “ or otherwise in connection with ”;
 - (b) in sub-paragraph (1)(d) for the words “the expenditure” there shall be substituted “ either the use of the asset ” and after the words “tariff receipts or” there shall be inserted “ the expenditure ”.
- (2) This section shall have effect with respect to expenditure incurred on or after 15th March 1988.

Editorial Information

- X2 The text of s. 139 is in the form in which it was originally enacted; it was not reproduced in Statutes in Force and does not reflect any amendments or repeals which may have been made prior to 1.2.1991.

Marginal Citations

- M47 1983 c. 56.

Stamp duty and stamp duty reserve tax

^{F104}**140**

Textual Amendments

- F104 S. 140 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. V(2) notes 1, 2 of the amending Act) by 1999 c. 16, s. 139, **Sch. 20 Pt. V(2)**

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

^{F105}141

Textual Amendments

F105 S. 141 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. V(2) notes 1, 2 of the amending Act) by 1999 c. 16, s. 139, **Sch. 20 Pt. V(2)**

142 Stamp duty: housing action trusts.

- (1) In section 97 of the ^{M48}Finance Act 1980 (shared ownership transactions) after paragraph (c) of subsection (3) there shall be inserted—
 - “(cc) a housing action trust established under Part III of the Housing Act 1988;”
- (2) In section 107 of the ^{M49}Finance Act 1981 (sales at a discount by local authorities etc.) after paragraph (f) of subsection (3) there shall be inserted—
 - “(ff) a housing action trust established under Part III of the Housing Act 1988;”

Marginal Citations

M48 1980 c. 48.
M49 1981 c. 35.

143 Stamp duty: paired shares

- (1) This section applies where —
 - (a) the articles of association of a company incorporated in the United Kingdom (“the UK company”) and the equivalent instruments governing a company which is not so incorporated (“the foreign company”) each provide that no share in the company to which they relate may be transferred otherwise than as part of a unit comprising one share in that company and one share in the other; and
 - (b) such units are to be or have been offered for sale to the public in the United Kingdom and, at the same time, an equal number of such units are to be or, as the case may be, have been offered for sale to the public at a broadly equivalent price in the country in which the foreign company is incorporated (“the foreign country”).
- [^{F106}(2) In relation to an instrument to which this subsection applies, no duty is chargeable under paragraph 1 of Schedule 15 to the Finance Act 1999 (bearer instruments: charge on issue); but this does not affect the other requirements of that Schedule.]
- (3) [^{F107}Subsection (2) above applies] to any bearer instrument issued on or after 1st November 1987 which represents shares in the UK company, or a right to an allotment of or to subscribe for such shares, if the purpose of the issue is —
 - (a) to make such shares available for sale (as part of such units as are referred to in subsection (1) above) in pursuance of either of the offers referred to in subsection (1)(b) above or of any other offer for sale of such units to the public

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- made at the same time and at a broadly equivalent price in a country other than the United Kingdom or the foreign country; or
- (b) to give effect to an allotment of such shares (as part of such units) as fully or partly paid bonus shares.
- [^{F108}(4) In relation to an instrument to which this subsection applies—
- (a) the foreign company shall be treated for the purposes of Schedule 15 to the Finance Act 1999 (stamp duty on bearer instruments) as a UK company, and
- (b) paragraph 17 of that Schedule (exemption for non-sterling instruments) shall not apply.]
- (5) [^{F109}Subsection (4) above applies] to any bearer instrument issued on or after 9th December 1987 which represents shares in the foreign company, or a right to an allotment of or to subscribe for such shares, and is not issued for the purpose —
- (a) of making shares in the foreign company available for sale (as part of such units as are referred to in subsection (1) above) in pursuance of either of the offers referred to in subsection (1)(b) above or of any other offer such as is mentioned in subsection (3)(a) above; or
- (b) of giving effect to an allotment of such shares (as part of such units) as fully or partly paid bonus shares.
- (6) In relation to any instrument which transfers such units as are referred to in subsection (1) above and is executed on or after the date of the passing of this Act, the foreign company shall be treated for the purposes of sections 67 and 68 (depository receipts) and 70 and 71 (clearance services) of the Finance Act 1986 as a company incorporated in the United Kingdom.
- (7) Section 3 of the Stamp Act 1891 (which requires every instrument written upon the same piece of material as another instrument to be separately stamped) shall not apply in relation to any bearer instrument issued on or after 9th December 1987 which represents shares in the UK company or the foreign company, or a right to an allotment of or to subscribe for such shares.
- (8) This section shall be construed as one with the Stamp Act 1891.
- (9) Subsections (2) and (3) above, together with subsection (1) above so far as relating to them, shall be deemed to have come into force on 1st November 1987, and subsections (4), (5) and (7) above, together with subsection (1) above so far as relating to them, shall be deemed to have come into force on 9th December 1987.

Textual Amendments

F106 S. 143(2) substituted (with application in accordance with s. 113(4) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 113(3), {Sch. 16 para. 11(2)}

F107 Words in s. 143(3) substituted (with application in accordance with s. 113(4) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 113(3), {Sch. 16 para. 11(3)}

F108 S. 143(4) substituted (with application in accordance with s. 113(4) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 113(3), {Sch. 16 para. 11(4)}

F109 Words in s. 143(5) substituted (with application in accordance with s. 113(4) of the amending Act) by [Finance Act 1999 \(c. 16\)](#) s. 113(3), {Sch. 16 para. 11(5)}

Modifications etc. (not altering text)

C11 S. 143 modified (26.7.1990) by [Finance Act 1990 \(c. 29\)](#) s. 112

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

144 Stamp duty reserve tax: paired shares etc

(1) Section 99 of the Finance Act 1986 (stamp duty reserve tax: interpretation) shall be amended as follows.

(2) For subsections (3) to (6) there shall be substituted —

“(3) Subject to the following provisions of this section, “chargeable securities” means —

- (a) stocks, shares or loan capital,
- (b) interests in, or in dividends or other rights arising out of, stocks, shares or loan capital,
- (c) rights to allotments of or to subscribe for, or options to acquire, stocks, shares or loan capital, and
- (d) units under a unit trust scheme.

(4) “Chargeable securities” does not include securities falling within paragraph (a), (b) or (c) of subsection (3) above which are issued or raised by a body corporate not incorporated in the United Kingdom unless —

- (a) they are registered in a register kept in the United Kingdom by or on behalf of the body corporate by which they are issued or raised, or
- (b) in the case of shares, they are paired with shares issued by a body corporate incorporated in the United Kingdom, or
- (c) in the case of securities falling within paragraph (b) or (c) of subsection (3) above, paragraph (a) or (b) above applies to the stocks, shares or loan capital to which they relate.

(5) “Chargeable securities” does not include —

- (a) securities the transfer of which is exempt from all stamp duties, or
- (b) securities falling within paragraph (b) or (c) of subsection (3) above which relate to stocks, shares or loan capital the transfer of which is exempt from all stamp duties.

(6) “Chargeable securities” does not include interests in depositary receipts for stocks or shares.

(6A) For the purposes of subsection (4) above, shares issued by a body corporate which is not incorporated in the United Kingdom (“the foreign company”) are paired with shares issued by a body corporate which is so incorporated (“the UK company”) where —

- (a) the articles of association of the UK company and the equivalent instruments governing the foreign company each provide that no share in the company to which they relate may be transferred otherwise than as part of a unit comprising one share in that company and one share in the other, and
- (b) such units have been offered for sale to the public in the United Kingdom and, at the same time, an equal number of such units have been offered for sale to the public at a broadly equivalent price in the country in which the foreign company is incorporated.”

(3) ^{F110}

(4) In subsection (10), for paragraph (a) there shall be substituted —

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

“(a) paragraph (a) of subsection (4) above and the reference to that paragraph in paragraph (c) of that subsection shall be ignored, and”.

(5) After subsection (10) there shall be added —

“(11) In interpreting “chargeable securities” in section 93 or 96 above in a case where —

- (a) newly subscribed shares, or
- (b) securities falling within paragraph (b) or (c) of subsection (3) above which relate to newly subscribed shares,

are issued in pursuance of an arrangement such as is mentioned in that section (or an arrangement which would be such an arrangement if the securities issued were chargeable securities), paragraph (b) of subsection (4) above and the reference to that paragraph in paragraph (c) of that subsection shall be ignored.

(12) In subsection (11) above, “newly subscribed shares” means shares issued wholly for new consideration in pursuance of an offer for sale to the public.”

(6) This section applies in relation to —

- (a) agreements to transfer chargeable securities (within the meaning of section 99 of the Finance Act 1986 as amended by this section) made on or after 9th December 1987; and
- (b) the transfer, issue or appropriation of such securities, or the issue of securities such as are mentioned in subsection (11) of that section, on or after that date in pursuance of an arrangement such as is mentioned in that subsection (whenever the arrangement was made),

and shall be deemed to have come into force on that date.

Textual Amendments

F110 S. 144(3) repealed (with effect as mentioned in Sch. 20 Pt. V(5) notes 1, 2 of the amending Act) by Finance Act 1999 (c. 16), s. 139, Sch. 20 Pt. V(5)

Miscellaneous

145 Building societies: change of status.

Schedule 12 to this Act (which makes provision in connection with the transfer of a building society’s business to a company in accordance with the ^{M50}Building Societies Act 1986) shall have effect.

Marginal Citations

M50 1986 c. 53.

146 Post-consolidation amendments.

The enactments specified in Schedule 13 to this Act shall have effect subject to the amendments specified in that Schedule (being amendments to correct errors in the

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Taxes Act 1988 and in the amendments made by the ^{M51}Finance Act 1987 for the purposes of the consolidation effected by the Taxes Act 1988).

Marginal Citations

M51 1987 c. 16.

147 Interpretation etc.

- (1) In this Act “the Taxes Act 1970” means the ^{M52}Income and Corporation Taxes Act 1970 and “the Taxes Act 1988” means the ^{M53}Income and Corporation Taxes Act 1988.
- (2) Part II of this Act shall be construed as one with the ^{M54}Value Added Tax Act 1983.
- (3) Part III of this Act, so far as it relates to income tax, shall be construed as one with the Income Tax Acts, so far as it relates to corporation tax, shall be construed as one with the Corporation Tax Acts and, so far as it relates to capital gains tax, shall be construed as one with the ^{M55}Capital Gains Tax Act 1979.

Marginal Citations

M52 1970 c. 10.

M53 1988 c. 1.

M54 1983 c. 55.

M55 1979 c. 14.

148 Repeals.

The enactments specified in Schedule 14 to this Act (which include unnecessary enactments) are hereby repealed to the extent specified in the third column of that Schedule, but subject to any provision at the end of any Part of that Schedule.

149 Short title.

This Act may be cited as the Finance Act 1988.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULES

SCHEDULE 1

Section 1.

ALCOHOLIC LIQUOR DUTIES

PART I

TABLE OF RATES OF DUTY ON WINE AND MADE-WINE

<i>Description of wine or made-wine</i>	<i>Rates of duty per hectolitre</i>
	£
Wine or made-wine of a strength not exceeding 15 per cent. and not being sparkling	102.40
Sparkling wine or sparkling made-wine of a strength not exceeding 15 per cent.	169.10
Wine or made-wine of a strength exceeding 15 per cent. but not exceeding 18 per cent.	176.60
Wine or made-wine of a strength exceeding 18 per cent. but not exceeding 22 per cent.	203.70
Wine or made-wine of a strength exceeding 22 per cent.	203.70 plus £15.77 for every 1 per cent. or part of 1 per cent. in excess of 22 per cent.

PART II

BEVERAGES OF AN ALCOHOLIC STRENGTH NOT EXCEEDING 5.5 PER CENT.

1 (1) In subsection (2) of section 1 of the ^{M56}Alcoholic Liquor Duties Act 1979 (definition of “spirits”), for the words “subsections (7) and (8)” there shall be substituted the words “subsections (7) to (9)”.

^{F111}(2)

(3) In subsection (5) of that section (definition of “made-wine”), after the word “means” there shall be inserted the words “subject to subsection (10) below”.

(4) After subsection (8) of that section there shall be inserted—

“(9) Any beverage of an alcoholic strength exceeding 1.2 per cent. but not exceeding 5.5 per cent. which is made with spirits and is not of a description specified in an order made by the Treasury by statutory instrument shall be deemed not to be spirits.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (10) The Treasury may by order made by statutory instrument provide that any beverage of an alcoholic strength exceeding 1.2 per cent. but not exceeding 5.5 per cent. which is made with beer or cider and is of a description specified in the order shall be deemed to be beer or, as the case may be, cider, and not to be made-wine.”

Textual Amendments

F111 Sch. 1 Pt. II para. 1(2) repealed (1.6.1993) by Finance Act 1991 (c. 31, SIF 40:1), ss. 7, 123, Sch. 19 Pt. II; S.I. 1993/1152, art. 3, Sch. 1 Pt. 2

Marginal Citations

M56 1979 c. 4.

F112²

Textual Amendments

F112 Sch. 1 para. 2 repealed (1.5.1995) by 1995 c. 4, s. 162, Sch. 29 Pt. 1(2)

F113³

Textual Amendments

F113 Sch. 1 Pt. II para. 3 repealed (1.6.1993) by Finance Act 1991 (c. 31, SIF 40:1), ss. 7, 123, Sch. 19 Pt. II; S.I. 1993/1152, art. 3, Sch. 1 Pt. 2

4 After subsection (4) of section 54 of that Act (wine: charge of excise duty) there shall be inserted—

“(4A) A person who, on any premises, produces wine to which section 55A below applies by rendering it sparkling, need not on that account hold an excise licence under subsection (2) above in respect of those premises.”

5 (1) After subsection (4) of section 55 of that Act (made-wine: charge of excise duty), there shall be inserted—

“(4A) A person who, on any premises, produces made-wine to which section 55A below applies by rendering it sparkling, need not on that account hold an excise licence under subsection (2) above in respect of those premises.”

(2) In subsection (5) of that section, for the words “render any made-wine sparkling” there shall be substituted the words “render sparkling any made-wine other than made-wine to which section 55A below applies”.

F114⁶

Textual Amendments

F114 Sch. 1 para. 6 repealed (19.7.2006) by Finance Act 2006 (c. 25), Sch. 26 Pt. 1(1)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

7 In section 59 of that Act (rendering imported wine or made-wine sparkling in warehouse), for subsection (1) there shall be substituted—

“(1) Wine or made-wine which—

- (a) is imported or is removed to the United Kingdom from the Isle of Man; and
- (b) is not wine or made-wine of a strength exceeding 1.2 per cent. but not exceeding 5.5 per cent.,

shall not be rendered sparkling, whether by aeration, fermentation or any other process, except in warehouse in accordance with warehousing regulations.”

F1158

Textual Amendments

F115 Sch. 1 Pt. II para. 8 repealed (1.5.1995 with effect as mentioned in Sch. 29 Pt. I(1) of the repealing Act) by 1995 c. 4, s. 162, Sch. 29, Pt. I, note

9 Section 63 of that Act (repayment of duty on imported cider used in the production of other beverages etc.) shall be renumbered as subsection (1) of that section ^{F116}

Textual Amendments

F116 Words in Sch. 1 Pt. II para. 9 repealed (1.5.1995 with effect as mentioned in Sch. 29 Pt. I(1) of the repealing Act) by 1995 c. 4, s. 162, Sch. 29, Pt. I(1), note

F11710

Textual Amendments

F117 Sch. 1 para. 10 repealed (19.7.2006) by Finance Act 2006 (c. 25), Sch. 26 Pt. 1(1)

F11811

Textual Amendments

F118 Sch. 1 Pt. II para. 11 repealed (1.6.1993) by Finance Act 1991 (c. 31, SIF 40:1), ss. 7, 123, Sch. 19 Pt. II; S.I. 1993/1152, art. 3, Sch. 1 Pt. 2

12 At the end of subsection (1) of section 73 of that Act (penalty for misdescribing substances as beer), there shall be added the words “or that the substance is made with beer and is a made-wine to which section 55A above applies”.

13 In Schedule 1 to that Act, for the Table of rates of duty there shall be substituted—

“Wine or made-wine of a strength not exceeding 2 per cent.	£ 10.24
Wine or made-wine of a strength exceeding 2 per cent. but not exceeding 3 per cent.	17.07

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Wine or made-wine of a strength exceeding 3 per cent. but not exceeding 4 per cent.	23.89
Wine or made-wine of a strength exceeding 4 per cent. but not exceeding 5 per cent.	30.72
Wine or made-wine of a strength exceeding 5 per cent. but not exceeding 5.5 per cent.	37.55
Wine or made-wine of a strength exceeding 5.5 per cent. but not exceeding 15 per cent. and not being sparkling	102.40
Sparkling wine or sparkling made-wine of a strength exceeding 5.5 per cent. but not exceeding 15 per cent.	169.10
Wine or made-wine of a strength exceeding 15 per cent. but not exceeding 18 per cent.	176.60
Wine or made-wine of a strength exceeding 18 per cent. but not exceeding 22 per cent.	203.70
Wine or made-wine of a strength exceeding 22 per cent.	203.70plus £15.77 for every 1 per cent. or part of 1 per cent. in excess of 22 per cent.”

SCHEDULE 2

Section 4.

VEHICLES EXCISE DUTY

^{F119}**PART I**

Textual Amendments

F119 Sch. 2 Pt. I repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), Sch. 5 Pt. I (with s. 57(4))

PART II

VEHICLES CARRYING OR DRAWING EXCEPTIONAL LOADS

^{F120}₁

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F120 Sch. 2 Pt. II para. 1 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F121}2

Textual Amendments

F121 Sch. 2 Pt. II para. 2 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F122}3

Textual Amendments

F122 Sch. 2 Pt. II para. 3 repealed by Finance Act 1989 (c. 26, SIF 107:2), s. 187(1), **Sch. 17 Pt. II** (in relation to licences taken out after 14.3.1989)

^{F123}4

Textual Amendments

F123 Sch. 2 Pt. II para. 4 repealed (1.9.1994) by 1994 c. 22, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F124}5

Textual Amendments

F124 Sch. 2 Pt. II para. 5 repealed (1.9.1994) by 1994 c. 9, ss. 65, 66(1), **Sch. 5 Pt. I** (with s. 57(4))

^{F125}6

Textual Amendments

F125 Sch. 2 para. 6 repealed(1.10.1991) by Finance Act 1991 (c. 31, SIF 107:2), ss. 10, 123, **Sch. 19 Pt.IV**; S.I. 1991/2021, **art.2**.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

SCHEDULE 3

Section 35.

MARRIED COUPLES: MINOR AND CONSEQUENTIAL PROVISIONS

PART I

AMENDMENTS OF THE TAXES ACT 1988

Introductory

1 The Taxes Act 1988 shall have effect subject to the following amendments.

Commencement of trade etc.

F126²

Textual Amendments

F126 Sch. 3 para. 2 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 3](#) (with [Sch. 2](#))

Discontinuance of trade etc.

F127³

Textual Amendments

F127 Sch. 3 para. 3 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)](#), [Sch. 3](#) (with [Sch. 2](#))

Underpayments

F128⁴

Textual Amendments

F128 Sch. 3 para. 4 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), s. 723](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

Additional relief in respect of children

F129⁵

Textual Amendments

F129 Sch. 3 para. 5 repealed (27.7.1999 with effect for the year 2000-01 and subsequent years of assessment) by 1999 c. 16, s. 139, [Sch. 20 Pt. III\(4\)](#), note

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F130⁶

Textual Amendments

F130 Sch. 3 para. 6 repealed (27.7.1999 with effect for the year 2000-01 and subsequent years of assessment) by 1999 c. 16, s. 139, Sch. 20 Pt. III(4), note

Widow's bereavement allowance

7 (1) The section set out in sub-paragraph (2) below shall have effect in substitution for section 262 (widow's bereavement allowance) in relation to deaths occurring during the year 1989-90, and the section set out in sub-paragraph (3) below shall have effect in substitution for that section in relation to deaths occurring during the year 1990-91 or any subsequent year of assessment.

(2) The section first referred to in sub-paragraph (1) above is—

Widow's bereavement allowance.

“262 Where a man dies in the year 1989-90 and for that year he is entitled to the higher (married person's) relief under section 257(1), or would be so entitled but for an election under section 261 or 287, his widow shall be entitled—

- (a) for that year of assessment, to a deduction from her total income of an amount equal to the amount referred to in section 259(2), and
- (b) (unless she marries again before the beginning of it) for the year 1990-91, to a deduction from her total income of an amount equal to the amount specified in section 257A(1) for that year.”

F131⁽³⁾

Textual Amendments

F131 Sch. 3 para. 7(3) repealed (27.7.1999 with effect for the year 2001-02 and subsequent years of assessment) by 1999 c. 16, s. 139, Sch. 20 Pt. III(5), note 2

Blind person's allowance

F132⁸

Textual Amendments

F132 Sch. 3 para. 8 omitted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by virtue of Finance Act 2009 (c. 10), Sch. 1 para. 6(b)

Life assurance premiums

9 For the year 1990-91 and subsequent years of assessment section 266 (life assurance premiums) shall have effect with the substitution—

- (a) in subsection (9), of the word “spouse” for the words “wife (but not the husband)”, and

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (b) in subsection (11)(a), of the words “spouse, widow, widower or children or other dependants of any such employee or person,” for the word “wife” onwards.

Payments securing annuities

F133 10

Textual Amendments

F133 Sch. 3 para. 10 omitted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 6(b)**

Married couples living together

F134 11

Textual Amendments

F134 Sch. 3 para. 11 repealed (6.4.2007) by **Income Tax Act 2007 (c. 3)**, s. 1034(1), **Sch. 3 Pt. 1** (with Sch. 2)

Business expansion scheme

- 12 (1) For the year 1990-91 and subsequent years of assessment section 304 (business expansion scheme: husband and wife) shall have effect—
- (a) with the omission of subsections (1) to (4), and
- (b) with the substitution of the following subsections for subsections (5) and (6)

“(5) Subsection (1) of section 299 shall not apply to a disposal made by a married man to his wife or a married woman to her husband at a time when they are living together; but where shares issued to one of them have been transferred to the other by a transaction inter vivos that subsection shall apply on the disposal of the shares by the transferee to a third person and any assessment for withdrawing relief in respect of the shares shall be made on the transferee.

(6) If any relief given for the year 1989-90 or any earlier year of assessment in respect of shares for which a married man or married woman has subscribed and which were issued while they were living together falls to be withdrawn in the year 1990-91 or any subsequent year of assessment by virtue of a disposal of those shares by the person who subscribed for them, any assessment for withdrawing that relief shall be made on the person making the disposal and shall be made by reference to the reduction of tax flowing from the amount of the relief regardless of any allocation of that relief under section 280 or of any allocation of the reduction under section 284 for the year of assessment for which the relief was given.”

- (2) Sub-paragraph (3) below applies where—

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) an amount is subscribed for shares in the year 1990-91 by one of a married couple who are living together,
 - (b) the couple were married and living together throughout the year 1989-90, and
 - (c) the subscriber claims that relief in respect of the amount be given partly by way of deduction from total income for the year 1989-90 in accordance with section 289(6).
- (3) Where this sub-paragraph applies—
- (a) the deduction shall be made from the husband’s total income (references in Chapter II of Part VII to the relief to which an individual is entitled in respect of any shares being construed accordingly), and
 - (b) the limits in sections 289(7) and 290 shall apply jointly to the husband and wife for the year 1989-90 as respects the amount subscribed.

Qualifying maintenance payments

- 13 For the year 1990-91 and subsequent years of assessment section 347B(3) (qualifying maintenance payments) shall have effect with the substitution of the words “specified in section 257A(1) for the year” for the words “of the difference between” onwards.

Home loans

F135 14

Textual Amendments

F135 Sch. 3 para. 14 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. III(7) note 4 of the amending Act) by 1999 c. 16, s. 139, Sch. 20 Pt. III(7)

Loans for shares in employee-controlled company

F136 15

Textual Amendments

F136 Sch. 3 para. 15 repealed (6.4.2007) by Income Tax Act 2007 (c. 3), s. 1034(1), Sch. 3 Pt. 1 (with Sch. 2)

Close company loans

- 16 (1) In section 420(2)(a)(i) (exception from charge in case where close company loans to borrower and spouse do not exceed £15,000) the words “or the wife or husband of the borrower” shall cease to have effect.
- (2) This paragraph shall apply where the loan first mentioned in section 420(2) is made on or after 6th April 1990.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Trade unions and employers’ associations

- 17 (1) In section 467(2) (tax exemption in respect of income of trade unions and employers’ associations applied for provident benefits) for the word “wife” there shall be substituted the word “ spouse ”.
- (2) This paragraph shall apply for any chargeable period beginning on or after 6th April 1990.

Retirement benefit schemes

F137 18

Textual Amendments
F137 Sch. 3 para. 18 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3 (with Sch. 36)

Partnership retirement annuities

- 19 For the year 1990-91 and subsequent years of assessment section 628(1) (partnership retirement annuities) shall have effect with the substitution of the words “a widow, widower or dependant of the former partner” for the words “ his widow or a dependant of his ”.

F138 20

Textual Amendments
F138 Sch. 3 para. 20 repealed (1.5.1995 with effect for the year 1995-96 and subsequent years of assessment) by 1995 c. 4, s. 162, Sch. 29 Pt. VIII(8), note

Earned income

- 21 For the year 1990-91 and subsequent years of assessment section 833(4)(a) (meaning of “earned income”) shall have effect with the substitution of the word “spouse” for the word “ husband ”, in both places where it occurs.

Total income

F139 22

Textual Amendments
F139 Sch. 3 para. 22 repealed (6.4.2007) by Income Tax Act 2007 (c. 3), s. 1034(1), Sch. 3 Pt. 1 (with Sch. 2)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART II

OTHER PROVISIONS

Capital allowances

F140²³

Textual Amendments

F140 Sch. 3 para. 23 repealed by Capital Allowances Act 1990 (c. 1, SIF 63:1), s. 164(4), Sch. 2 (with ss. 82 and 164(5))

F141²⁴

Textual Amendments

F141 Sch. 3 para. 24 repealed by Capital Allowances Act 1990 (c.1, SIF 63:1), s. 164(4), Sch. 2 (with ss. 82 and 164(5))

The transition

25 The operation of section 279(1) of the Taxes Act 1988 for a year of assessment earlier than the year 1990-91 in the case of a married woman shall not affect the question whether there is any income of hers chargeable to income tax for the year 1990-91 or any subsequent year of assessment or, if there is, what is to be taken to be its amount for income tax purposes.

Returns

26 Where a man is required under section 8 of the ^{M57}Taxes Management Act 1970 to deliver a return which is—

- (a) so far as relates to certain sources of income, a return of income chargeable to income tax for the year 1990-91, and
- (b) so far as relates to the remaining sources of income, a return of income chargeable to income tax for the year 1989-90,

the same particulars shall be included in the return as would have been required had section 279 of the Taxes Act 1988 not been repealed by this Act.

Marginal Citations

M57 1970 c. 9.

27 Where a man delivers a return such as is mentioned in paragraph 26 above, the reference in sections 93(2) and 95(2) of the Taxes Management Act 1970 (penalties) to tax charged on or payable by him shall include a reference to tax charged on or payable by his wife in respect of any income of hers.

28 Where a woman is liable to a penalty under section 93(1) or 95(1) of the Taxes Management Act 1970, section 93(2) or 95(2) shall apply as if the reference to tax

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

charged on or payable by her included a reference to any tax which is charged on or payable by her husband by virtue of section 279 of the Taxes Act 1988.

Time limits for assessments

F142²⁹

Textual Amendments
F142 Sch. 3 para. 29 repealed (with respect to notices given, or warrants issued on or after 27.07.1989) by Finance Act 1989 (c. 26, SIF 63:1), s. 187(1), Sch. 17 Pt. VIII.

Transfers of allowances

30 For the year 1990-91 and subsequent years of assessment the Taxes Management Act 1970 shall have effect with the insertion of the following section after section 37—

“37A Effect of assessment where allowances transferred.

Where an assessment is made on any person for the purpose of making good a loss of tax wholly or partly attributable to fraud, wilful default or neglect, the fact that the person’s total income for any year of assessment is assessed as greater than it was previously taken to be shall not affect the validity of any deduction made from the total income of the person’s spouse by virtue of section 257B, 257D or 265 of the principal Act; and where any such deduction has been made in such a case, the total amount which the first-mentioned person is entitled to deduct from total income for the year in question shall be correspondingly reduced.”

Class 4 social security contributions

F143³¹

Textual Amendments
F143 Sch. 3 para. 31 repealed in part (1.7.1992) by Social Security (Consequential Provisions) Act 1992 (c. 6), ss. 3, 7(2), Sch. 1 and wholly repealed (1.7.1992) by Social Security (Consequential Provisions) (Northern Ireland) Act 1992 (c. 9), ss. 3, 7(2), Sch. 1 (subject as mentioned in Local Government Finance Act 1992 (c. 14), s. 118(5)(7) (with S. 118(1)(2)(4)).

Annual payments

32 Section 36 of this Act shall have effect in relation to a payment which is due from a husband to his wife or from a wife to her husband at a time after 5th April 1990 when they are living together, notwithstanding that the payment is made in pursuance of an obligation which is an existing obligation for the purposes of subsection (3) of that section.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Maintenance payments

F144 33

Textual Amendments

F144 Sch. 3 para. 33 repealed (3.5.1994 with effect as mentioned in s. 77(7) of the repealing Act) by 1994 c. 9, s. 258, **Sch. 26 Pt. V(1)**, note

F145 SCHEDULE 4

Textual Amendments

F145 Sch. 4 repealed (3.5.1994 with effect as mentioned in Sch. 26 Pt. V(17) of the repealing Act) by 1994 c. 9, s. 258, **Sch. 26 Pt. V(17)**, note

SCHEDULE 5

Section 58.

UNDERWRITERS: ASSESSMENT AND COLLECTION OF TAX

Preliminary

- 1 (1) In this Schedule—
- “agent”, in relation to a syndicate and a year of assessment, means—
 - (a) the person who was acting as underwriting agent for that syndicate at the end of the corresponding underwriting year; or
 - (b) such other person as may be determined in accordance with regulations made by the Board by statutory instrument;
 - “closing year”, in relation to a year of assessment, means the year of assessment next but one following that year;
 - “inspector” includes any officer of the Board;
 - “profits” includes gains;
 - “syndicate” means a syndicate of underwriting members of Lloyd’s formed for an underwriting year;
 - “syndicate profit or loss”, in relation to a syndicate, means the aggregate amount of the profits or losses arising to all the members of the syndicate (taken together), and “syndicate profits” and “syndicate losses” shall be construed accordingly.
- (2) References in this Schedule to profits or losses arising to a member of a syndicate are references to profits or losses which—
- (a) arise to him in his capacity as such a member, whether from his underwriting business or from assets forming part of a premiums trust fund; and
 - (b) are chargeable or, as the case may be, allowable under Case I of Schedule D.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (3) Regulations under this paragraph may make provision with respect to the year of assessment next but one preceding the year of assessment in which they are made.

Returns by agent

- 2 (1) An inspector may, at any time after the end of the closing year for a year of assessment, by notice in writing to the agent require him to deliver to the inspector, on or before the final day determined under sub-paragraph (2) below, a return of the syndicate profit or loss for the year of assessment—
- (a) containing such information as may be required in pursuance of the notice; and
 - (b) accompanied by such accounts, statements and reports as may be so required; and
 - (c) in the case of a syndicate profit, containing a statement of the amount of tax which would be payable on that profit if the whole of it were charged to tax at the basic rate of income tax for that year.
- (2) The final day for the delivery of any return required by a notice under sub-paragraph (1) above is whichever is the later of—
- (a) the 1st September next following the end of the closing year for the year of assessment; and
 - (b) the end of the period of three months beginning on the day following that on which the notice was served.
- (3) If the agent, having been required by a notice under sub-paragraph (1) above to deliver a return, fails to deliver the return on or before the final day for its delivery, he shall be liable to a penalty equal to the prescribed amount multiplied by the number of days on which the failure continues; and in this sub-paragraph “the prescribed amount” means £10 for each fifty members of the syndicate (counting any number of members left over as fifty).
- (4) If the agent fraudulently or negligently delivers an incorrect return under sub-paragraph (1) above, he shall be liable to a penalty not exceeding the prescribed amount multiplied by the number of members of the syndicate; and in this sub-paragraph “the prescribed amount” means £500 in the case of fraud and £250 in the case of negligence.
- (5) In relation to a return required by a notice under sub-paragraph (1) above—
- (a) any reference in sub-paragraph (2) or (3) above to the delivery of the return is a reference to its delivery together with the accompanying documents referred to in sub-paragraph (1) above; and
 - (b) the reference in sub-paragraph (4) above to the return being incorrect includes a reference to any of those documents being incorrect.

Payments on account of tax

- 3 (1) In the case of a syndicate profit for a year of assessment, the agent shall, on or before the 1st January next following the end of the closing year for that year—
- (a) pay to the collector, on account of the liabilities to tax of the members of the syndicate, the amount stated in his return for that year under paragraph 2(1)(c) above; and

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (b) deliver to the inspector a return apportioning, between those members, the amount so paid.
- (2) Where an amount is paid to the collector under sub-paragraph (1)(a) above for a year of assessment, the following provisions shall apply as between each member of the syndicate and the agent—
- (a) where the member's proportion of the amount so paid exceeds the amount deducted by the agent in accounting to the member for his share of the syndicate profit for that year, the amount of the excess shall be paid by the member to the agent; and
 - (b) where the amount so deducted exceeds that proportion, the amount of the excess shall be paid by the agent to the member.
- (3) Where an amount is paid to the collector under sub-paragraph (1)(a) above for a year of assessment, the following provisions shall apply as respects the liability to tax for that year of each member of the syndicate—
- (a) where the amount in which the member is charged to tax exceeds his proportion of the amount so paid, the amount of the excess shall be the amount of tax due and payable; and
 - (b) where that proportion exceeds the amount in which the member is so charged, the amount of the excess shall be treated as tax overpaid.
- (4) Any amount which is payable under sub-paragraph (1)(a) above shall carry interest at the prescribed rate from the date when it becomes payable until payment, whether or not that date is a non-business day within the meaning of the ^{M65}Bills of Exchange Act 1882; and—
- (a) section 89 of the ^{M66}Taxes Management Act 1970 (the prescribed rate of interest); and
 - (b) section 90 of that Act (disallowance of relief for interest on tax),
- shall apply for the purposes of this sub-paragraph as they apply for the purposes of any provision of Part IX of that Act.

Marginal Citations

M65 1882 c. 61.

M66 1970 c. 9.

Determinations by inspector

- 4
- (1) If the inspector is satisfied that a return under paragraph 2(1) above affords correct and complete information concerning the syndicate profit or loss for a year of assessment, he shall determine that profit or loss accordingly.
 - (2) If for a year of assessment the inspector is dissatisfied with a return under paragraph 2(1) above, or there is no such return, the inspector shall determine the syndicate profit or loss for that year to the best of his judgment.
 - (3) If the inspector discovers that a determination under sub-paragraph (1) or (2) above—
 - (a) understates the syndicate profits for the year of assessment; or
 - (b) overstates the syndicate losses for that year,

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

he may, by a determination under this sub-paragraph, vary the first-mentioned determination accordingly.

- (4) Notice of a determination under this paragraph shall be served on the agent and shall state the time within which any appeal against the determination may be made under paragraph 5 below.
- (5) After notice of a determination under this paragraph has been served on the agent, the determination shall not be altered except in accordance with the express provisions of the Taxes Acts.

Appeals

- 5 (1) The agent may appeal against a determination under paragraph 4 above by a notice of appeal in writing given to the inspector within thirty days after the date of the notice of determination.
- (2) An appeal under this paragraph shall be to the General Commissioners, except that the agent may elect (in accordance with section 46(1) of the Taxes Management Act 1970) to bring the appeal before the Special Commissioners instead of the General Commissioners; and subsections (5) to (5E) of section 31 of that Act shall apply for the purposes of an election under this sub-paragraph as they apply for the purposes of an election under subsection (4) of that section.

Modification of determinations pending appeal

- 6 (1) Where the agent appeals against a determination under paragraph 4 above, then, for the purpose of establishing, in the event of a member of the syndicate appealing against an assessment made on him, the amount of tax the payment of which should, pending the determination of that appeal, be postponed under section 55 of the Taxes Management Act 1970, that section shall apply to the first-mentioned appeal with the modifications specified in sub-paragraph (2) below.
- (2) The modifications are as follows—
 - (a) any reference to the notice of assessment shall be construed as a reference to the notice of determination;
 - (b) any reference to the appellant believing that he is overcharged to tax by the assessment shall be construed as a reference to him believing that the determination overstates the syndicate profits, or understates the syndicate losses, for the year of assessment, and any reference to the appellant having grounds for so believing, or there being reasonable grounds for so believing, shall be construed accordingly;
 - (c) any reference to a determination of the amount of tax the payment of which should be postponed pending the determination of the appeal shall be construed as a reference to a direction that the determination shall, pending the determination of the appeal, have effect for the purpose stated in sub-paragraph (1) above as if the syndicate profits there stated were reduced, or the syndicate losses there stated were increased, by such amount as may be specified in the direction, and any reference to an amount of tax so determined, or to the amount of tax which should be so postponed, shall be construed accordingly; and
 - (d) subsections (2) and (9) and, in subsection (6), paragraphs (a) and (b) and the word “and” immediately preceding paragraph (a) shall be omitted.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Apportionments of syndicate profit or loss

- 7 (1) Where a determination of a syndicate profit or loss for a year of assessment is made, varied or modified (whether under the foregoing provisions of this Schedule or on appeal), the inspector may, by notice in writing to the agent, require him to make to the inspector, within the specified period, a return apportioning, between the members of the syndicate, the syndicate profit or loss as stated in the determination as so made, varied or modified.
- (2) If the agent, having been required by a notice under sub-paragraph (1) above to deliver a return within the specified period, fails to deliver the return within that period, he shall be liable to a penalty equal to the prescribed amount multiplied by the number of days on which the failure continues; and in this sub-paragraph “the prescribed amount” means £5 for each fifty members of the syndicate (counting any number of members left over as fifty).
- (3) In this paragraph “the specified period” means such period, not being less than thirty days and beginning with the day following the date of the notice under sub-paragraph (1) above, as may be specified in that notice.

Individual members: effect of determinations

- 8 (1) A determination of a syndicate profit or loss for a year of assessment (whether as originally made or as varied or modified) shall, for the purpose of determining the liability to tax of each member of the syndicate, be conclusive against that member that the syndicate profit or loss for that year is as there stated.
- (2) Where a determination of a syndicate profit or loss for a year of assessment is varied or modified at any time after the issue of a notice of assessment assessing any member of the syndicate to tax—
- (a) section 31 of the ^{M67}Taxes Management Act 1970 (right of appeal) and section 55 of that Act (postponement of tax) shall have effect, in relation to that member, as if any reference to the date of the notice of assessment, or the date of the issue of the notice of assessment, were a reference to the date of the variation or modification; and
- (b) in the case of a variation, an assessment which gives effect to the determination as varied shall not be out of time if it is made within one year of the date of the variation.
- (3) Sub-paragraph (2)(b) above shall not apply in the case of a variation under paragraph 4(3) above which is made later than six years after the end of the closing year.

Marginal Citations

M67 1970 c. 9.

Assessment of individual members: time limits

- 9 For the purposes of sections 36, 37, 40 and 41 of the ^{M68}Taxes Management Act 1970 (extension of time in cases of fraud, wilful default or neglect), anything done or omitted to be done by the agent shall be deemed to have been done or omitted to be done by each member of the syndicate.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Marginal Citations

M68 1970 c. 9.

Supplemental: penalties

- 10 (1) If it appears to an inspector or the Board that the agent is liable to a penalty under paragraph 2(3) or 7(2) above, the amount appearing to be due may be assessed by the inspector or the Board as if it were tax for the year of assessment in which the failure to make the return occurred; and, subject to the provisions of this paragraph, the provisions of the Taxes Management Act 1970 relating to the assessment and collection of tax shall apply accordingly.
- (2) An amount assessed by way of penalty under paragraph 2(3) or 7(2) above shall be due at the end of the period of thirty days beginning with the date of the issue of the notice of assessment.
- (3) On an appeal against an assessment of an amount by way of penalty under sub-paragraph (3) of paragraph 2 or sub-paragraph (2) of paragraph 7 above, subsections (6) to (8) of section 50 of that Act shall not apply but the Commissioners—
- (a) may confirm the amount of the assessment or, if it appears to them that the amount assessed is greater or smaller than the penalty provided for under that sub-paragraph, may reduce it or increase it to such an amount as is appropriate having regard to the provisions of that sub-paragraph; and
 - (b) if it appears to them that no penalty has been incurred, may set the assessment aside.
- (4) Where an amount has been assessed by way of penalty under sub-paragraph (3) of paragraph 2 or sub-paragraph (2) of paragraph 7 above and either no appeal has been brought against that assessment or the amount assessed has been confirmed or varied on appeal—
- (a) a certificate of an inspector or other officer of the Board that an amount is due by way of penalty under that sub-paragraph; and
 - (b) a certificate of a collector that payment of that amount has not been made to him or, to the best of his knowledge and belief, to any other collector, or to a person acting on his behalf or on behalf of another collector,
- shall be sufficient evidence that the amount mentioned in the certificates is unpaid and is due to the Crown; and any document purporting to be such a certificate as is mentioned in this sub-paragraph shall be deemed to be such a certificate unless the contrary is proved.
- (5) Section 100 of the Taxes Management Act 1970 (procedure for recovery of penalties) shall not apply to a penalty under paragraph 2(3) or 7(2) above.

Supplemental: interest

- 11 (1) Interest charged under paragraph 3(4) above shall be treated for the purposes of the enactments mentioned in section 69 of the Taxes Management Act 1970 (interest on tax) as if it were tax charged and due and payable under an assessment.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (2) References to section 86 of that Act in sections 70(2) and 92 of that Act (evidence, and remission of interest in certain cases) shall include a reference to paragraph 3(4) above.

F152 SCHEDULE 6

Section 65.

Textual Amendments

F152 Sch. 6 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 335, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

F153 SCHEDULE 7

Section 66.

Textual Amendments

F153 Sch. 7 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 336, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

F154 SCHEDULE 8

Textual Amendments

F154 Sch. 8 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27) subject to the amendments to Sch. 8 para. 1 (16.7.1992 and 19. 2.1993 as to the amendment to Sch. 8 para. 1(3)(a)) by Finance (No. 2) Act 1992 (c. 48), ss. 49(7)(10), 56, 77, **Sch. 9 para. 20(2)(b)**; S.I. 1993/236, art.2, Sch. 17 paras. 5(8), 7

Previous no gain/no loss disposals

F155₁

Textual Amendments

F155 Sch. 8 para. 1 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27) subject to the amendments to Sch. 8 para. 1 (16. 7. 1992 and 19. 3. 1993 as to the amendment

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

to para. 1(3)(a)) by Finance (No. 2) Act 1992 (c. 48), ss. 49(7)(10), 56, 77, **Sch. 9 para. 20(2)(b)**; S.I. 1993/236, art.2, Sch. 17 paras. 5(8), 7

F156₂

Textual Amendments

F156 Sch. 8 para. 2 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Capital allowances

F157₃

Textual Amendments

F157 Sch. 8 para. 3 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Part disposals

F158₄

Textual Amendments

F158 Sch. 8 para. 4 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Assets derived from other assets

F159₅

Textual Amendments

F159 Sch. 8 para. 5 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Group transactions

F160₆

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F160 Sch. 8 para. 6 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Close companies

F1617

Textual Amendments

F161 Sch. 8 para. 7 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Private residence relief

F1628

Textual Amendments

F162 Sch. 8 para. 8 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Replacement of business assets

F1639

Textual Amendments

F163 Sch. 8 para. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Apportionment of pre-1965 gains and losses

F16410

Textual Amendments

F164 Sch. 8 para. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Indexation allowance

F165 11

Textual Amendments

F165 Sch. 8 para. 11 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Elections under section 96(5): excluded disposals

F166 12

Textual Amendments

F166 Sch. 8 para. 12 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Elections under section 96(5): groups of companies

F167 13

Textual Amendments

F167 Sch. 8 para. 13 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F168 14

Textual Amendments

F168 Sch. 8 para. 14 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F169 SCHEDULE 9

Textual Amendments

F169 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Reduction of deduction or gain

F170₁

Textual Amendments

F170 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Charges rolled-over or held-over

F171₂

Textual Amendments

F171 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F172_{2A}

Textual Amendments

F172 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Postponed charges

F173₃

Textual Amendments

F173 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Previous no gain/no loss disposals

F174₄

Textual Amendments

F174 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F175₅

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F175 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F176

Textual Amendments

F176 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Assets derived from other assets

F177

Textual Amendments

F177 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Claims

F178

Textual Amendments

F178 Sch. 9 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F179 SCHEDULE 10

Textual Amendments

F179 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Charge on settlor with interest in settlement

F180₁

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F180 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F181²

Textual Amendments

F181 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F182³

Textual Amendments

F182 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F183⁴

Textual Amendments

F183 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Right of recovery

F184⁵

Textual Amendments

F184 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Meaning of “settlor” etc.

F185⁶

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F185 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Information

F1867

Textual Amendments

F186 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Shares in non-resident companies

F1878

Textual Amendments

F187 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Maintenance funds for historic buildings

F1889

Textual Amendments

F188 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch. 12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Commencement

F18910

Textual Amendments

F189 Sch. 10 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F190 SCHEDULE 11

Textual Amendments

F190 Sch. 11 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 201(3), 290, Sch. 11 paras. 22, 26(2), 27) subject to the partial repeal and amendment of Sch. 11 para. 5 (16.7.1992) by [Finance \(No. 2\) Act 1992 \(c. 48\)](#), ss. [49\(8\)\(a\)-\(c\)](#)(11), 82, Sch. 18 Pt. VII (6)

Debts

F191₁

Textual Amendments

F191 Sch. 11 para. 1 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F192₂

Textual Amendments

F192 Sch. 10 para. 2 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Shares

F193₃

Textual Amendments

F193 Sch. 11 para. 3 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

Linked companies

4 F194

Textual Amendments

F194 Sch. 11 para. 4 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

*Status: Point in time view as at 21/07/2009.**Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)**Supplementary*F195⁵**Textual Amendments**

F195 Sch. 11 para. 5 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27) subject to the partial repeal and amendment of Sch. 11 para. 5 (16.7.1992) by Finance (No. 2) Act 1992 (c. 48), **ss. 49(8)(a)-(c)**(11), 82, Sch. 18 Pt. VII (6).

F196⁶**Textual Amendments**

F196 Sch. 11 para. 6 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

*Commencement*F197⁷**Textual Amendments**

F197 Sch. 11 para. 7 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 101(1), 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

SCHEDULE 12

Section 145.

BUILDING SOCIETIES: CHANGE OF STATUS

Introductory

1 Paragraphs [F198³] to 7 below apply where there is a transfer of the whole of a building society's business to a company ("the successor company") in accordance with section 97 and the other applicable provisions of the ^{M69}Building Societies Act 1986.

Textual Amendments

F198 Word in Sch. 12 para. 1 substituted (24.7.2002) by Finance Act 2002 (c. 23), **s. 105(02)(a)**

Marginal Citations

M69 1986 c. 53.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Gilt-edged securities and other financial trading stock

2 F199

Textual Amendments

F199 Sch. 12 para. 2 repealed (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [ss. 105\(2\)\(b\)](#), 141, [Sch. 40 Pt. 3\(18\)](#)

Capital allowances

3 F200(1)

(2) There shall be made to or on the successor company in accordance with [^{F201}the Capital Allowances Act 2001] all such allowances and charges as would, if the society had continued to carry on the trade, have fallen to be made to or on it, and the amount of any such allowance or charge shall be computed as if the successor company had been carrying on the trade since the society began to do so and as if everything done to or by the society had been done to or by the successor company.

(3) No transfer of assets from the society to the successor company effected by section 97 of the Building Societies Act 1986 shall be treated as giving rise to any such allowance or charge.

Textual Amendments

F200 Sch. 12 para. 3(1) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 1 para. 337\(a\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

F201 Words in Sch. 12 para. 3(2) substituted (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 1 para. 337\(b\)](#) (with [Sch. 2 Pts. 1, 2](#))

Capital gains: assets acquired from society, etc.

F202₄

Textual Amendments

F202 Sch. 12 para. 4 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, [Sch. 11 paras. 22, 26\(2\), 27](#))

Capital gains: shares, and rights to shares, in successor company

F203₅

Textual Amendments

F203 Sch. 12 para. 5 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 101(1), 201(3), 290, [Sch. 11 paras. 22, 26\(2\), 27](#))

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Distributions

- 6 (1) Where, in connection with the transfer, qualifying benefits are conferred by the society or the successor company on members of the society, the conferring of those benefits shall not be regarded as either—
- (a) the making of a distribution, within the meaning of the Corporation Tax Acts; or
 - (b) the payment or crediting of a dividend for the purposes of [^{F204}Chapter 2 of Part 15 of the Income Tax Act 2007 (deduction of income tax at source: deposit-takers and building societies)] .
- (2) Sub-paragraph (1) above does not preclude any qualifying benefit (and, in particular, any qualifying benefit which in the hands of the recipient would, apart from that sub-paragraph, constitute income for the purposes of income tax) from being a capital distribution for the purposes of section [^{F205}122 of the Taxation of Chargeable Gains Act 1992], and in that section “distribution” shall be construed accordingly.
- (3) In this paragraph “qualifying benefits” means—
- (a) any such rights as are mentioned in paragraph 5(1)(a), (b) or (c) above, and any property obtained by the exercise of those rights;
 - (b) any shares issued or disposed of as mentioned in paragraph 5(2) above;
 - (c) any shares issued or disposed of, or to which a member becomes entitled, as mentioned in paragraph 5(3) or (4) above, and any interest in the settled property constituted by those shares;
 - (d) any payment in lieu of a qualifying benefit falling within paragraphs (a) to (c) above;
 - (e) any distribution made in pursuance of section 100(2)(b) of the ^{M70}Building Societies Act 1986.
- (4) “Member” has the same meaning in this paragraph as in paragraph 5 above.

Textual Amendments

F204 Words in Sch. 12 para. 6(1)(b) substituted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 277](#) (with [Sch. 2](#))

F205 Words in Sch. 12 para. 6(2) substituted (6.3.1992 with effect as mentioned in [s. 289](#) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch. 10 para. 16\(7\)](#) (with ss. 60, 101(1), 171, 201(3))

Marginal Citations

M70 1986 c. 53.

[^{F206} Certified SAYE savings arrangements

Textual Amendments

F206 [Sch. 12 para. 7](#) and crossheading substituted (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 1 para. 404](#) (with [Sch. 2](#))

- 7 Section 702 of the Income Tax (Trading and Other Income) Act 2005 (interest under certified SAYE savings arrangements to be exempt from income tax) shall have

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

effect in relation to any interest (or bonus) payable after the transfer under a savings arrangement which immediately before the transfer was a certified SAYE savings arrangement (within the meaning of section 703(1) of that Act) in relation to the society despite the fact that it ceased to be such an arrangement by reason of the transfer.]

Stamp duty

8 Section 109 of the ^{M71}Building Societies Act 1986 (exemption from stamp duty) shall be renumbered as subsection (1) of that section and after that provision as so renumbered there shall be inserted—

“(2) No transfer effected by subsection (6) or (7) of section 97 shall give rise to any liability to stamp duty.”

Marginal Citations

M71 1986 c. 53.

SCHEDULE 13

Section 146.

POST-CONSOLIDATION AMENDMENTS

PART I

AMENDMENTS OF THE TAXES ACT 1988

1 The Taxes Act 1988 shall have effect, and shall be deemed always to have had effect, subject to the amendments specified in paragraphs 2 to 14 of this Schedule.

2 In section 61(4) after the word “where” there shall be inserted the words “ there is a change in the persons engaged in carrying on a trade, profession or vocation in partnership and ”.

F207³

Textual Amendments

F207 Sch. 13 para. 3 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by *Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, Sch. 8 Pt. 1* (with Sch. 7)

F208⁴

Textual Amendments

F208 Sch. 13 para. 4 repealed (19.3.1997 with effect as mentioned in Sch. 18 Pt. VI(3) of the repealing Act) by 1997 c. 16, s. 113, **Sch. 18 Pt. VI(3)**, notes 1-3

5 In section 533(4) after “1949” there shall be inserted the words “ , sections 55 to 59 of the Patents Act 1977 ”.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

F209 6

Textual Amendments
F209 Sch. 13 para. 6 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3 (with Sch. 36)

- 7 In section 824—
- (a) in subsection (1) the following paragraphs shall be substituted for paragraphs (a) and (b)—
 - “(a) in the case of income tax or surtax paid by or on behalf of an individual for a year of assessment for which he was resident in the United Kingdom, a repayment of the tax of not less than £25 is made by the Board or an inspector after the end of the 12 months following that year of assessment; or
 - (b) in the case of the special charge under Part IV of the Finance Act 1968, a repayment of the charge of not less than £25 is made by the Board or an inspector,”
 - F210 (b)
 - (c) in subsection (2) for the words “Subsection (1)” there shall be substituted the words “ Subsections (1) and (1A) ” and for the words “it applies to a repayment falling within that subsection” there shall be substituted the words “ they apply to a repayment falling within subsection (1) ”,
 - (d) the following subsection shall be inserted after that subsection—
 - “(2A) Subsection (1) above shall apply to a repayment made in consequence of a claim under section 228 of the Income Tax Act 1952 (relief in respect of income accumulated under trusts) as if the repayment were of income tax paid by the claimant for the year of assessment in which the contingency mentioned in that section happened.”
 - (e) in subsection (3) the following paragraph shall be inserted after paragraph (a)—
 - “(aa) if the repayment is of the special charge, the relevant time, as regards so much of the charge as was paid before the end of the year 1969-70, is the end of that year, and, as regards so much of the charge as was paid in any later year of assessment, is the end of the year of assessment in which it was paid;”
 - F210 (f)

Textual Amendments
F210 Sch. 13 para. 7(b) and (f) repealed by Finance Act 1989 (c. 26, SIF 63:1), ss. 187(1), 178(7), Sch. 17 Pt. X.

F211 8

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F211 Sch. 13 para. 8 repealed by Finance Act 1989 (c. 26, SIF 63:1), ss. 187(1), 178(7), Sch. 17 Pt. X.

- 9 In paragraph 2 of Schedule 10 after sub-paragraph (c) there shall be inserted the word “ or ”.
- 10 In paragraph 17(2)(a) of Schedule 15 after the words “but the old policy was” there shall be inserted the word “ not ”.
- 11 In paragraph 18(2) of that Schedule for “1 to 9” there shall be substituted “ 1, 2, 3(5) to (11), 4 to 9 ”.
- 12 In paragraph 4(3)(b) of Schedule 27 for “416” there shall be substituted “ 75 ”.
- 13 In paragraph 8 of Schedule 29 for the words “added after paragraph (f)” there shall be substituted the words “ substituted for paragraph (g) ”.
- 14 In the Table in paragraph 32 of that Schedule the amendments of —
(a) section 55(1)(g) of the ^{M72}Taxes Management Act 1970,
(b) section 108(9)(b) of the ^{M73}Finance Act 1980, and
(c) section 80(5)(b) of the ^{M74}Finance Act 1985,
shall be omitted.

Marginal Citations

M72 1970 c. 9.

M73 1980 c. 48.

M74 1985 c. 54.

- 15 The repeals made in section 47 of the Finance (No. 2) Act 1975 shall be treated as never having had effect.

PART II

AMENDMENTS OF OTHER ENACTMENTS

The Capital Gains Tax Act 1979 (c.14)

F212¹⁶

Textual Amendments

F212 Sch. 13 para. 16 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch.12 (with ss. 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F213¹⁷

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

F213 Sch. 13 para. 17 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

F21418

Textual Amendments

F214 Sch. 13 para. 18 repealed (6.3.1992 with effect as mentioned in s. 289 of the repealing Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 201(3), 290, Sch. 11 paras. 22, 26(2), 27)

The Finance Act 1980 (c.48)

19 In section 101 of the Finance Act 1980 for the words “60 above” there shall be substituted the words “468(5) of the Taxes Act 1988”.

20 In section 109(8)(b) of that Act for the words “Part II of that Act” there shall be substituted the words “ Chapter V of Part XII of the Taxes Act 1988 ”.

The Finance Act 1981 (c.35)

F21521

Textual Amendments

F215 Sch. 13 para. 21 repealed (27.7.1999 with effect as mentioned in Sch. 20 Pt. V(5) note 1 of the amending Act) by [1999 c. 16, s. 139](#), **Sch. 20 Pt. V(5)**

The Finance Act 1984 (c.43)

22 In section 80(5)(b) of the Finance Act 1984 for the words “13 of the ^{M75}Oil Taxation Act 1975” there shall be substituted the words “ 492 of the Taxes Act 1988 ”.

Marginal Citations

M75 1975 c. 45.

The Finance Act 1986 (c.41)

F21623

Textual Amendments

F216 Sch. 13 para. 23 repealed by [Finance Act 1990 \(c. 29, SIF 114\)](#), ss. 110, 132, **Sch. 19 Pt. VII** and Sch. 13 para. 23 expressed to be repealed (19.3.1997 with effect in accordance with s. 104 of the repealing Act) by [1997 c. 16, s. 113](#), **Sch. 18 Pt. VII**, note 10

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

The Finance Act 1987 (c.16)

- 24 The repeals made by the Finance Act 1987 in section 47 of the ^{M76}Finance (No. 2) Act 1975 shall be treated as never having had effect.

Marginal Citations

M76 1975 c. 45

Commencement

- 25 The amendments made by paragraphs 16 to 23 of this Schedule shall be treated for the purposes of their commencement as if they had been made by the Taxes Act 1988.

SCHEDULE 14

Section 148.

REPEALS

PART I

CUSTOMS AND EXCISE

Chapter	Short title	Extent of repeal
1979 c. 2.	The Customs and Excise Management Act 1979.	In section 93(2)(c), the words “(other than operations consisting of the mixing of spirits with wine or made-wine)”.
1979 c. 4.	The Alcoholic Liquor Duties Act 1979.	In section 1(3), the words “thereof at any time”. Section 22(7). In section 42(6), the words “but as respects” onwards. In section 43(4), the words “but as respects” onwards.
1981 c. 63.	The Betting and Gaming Duties Act 1981.	In Schedule 1, in paragraph 13(3)(a), the words from “or, with intent” to “material particular”. In Schedule 2, in paragraph 7(3)(a), the words from “or, with intent” to “material particular”.

- 1 The repeal in section 1 of the Alcoholic Liquor Duties Act 1979 comes into force on the day appointed under section 1(6) of this Act.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 2 The repeals in sections 42 and 43 of that Act have effect from 1st October 1988.
- 3 The repeals in the Betting and Gaming Duties Act 1981 have effect in relation to offences committed after the passing of this Act.

PART II

VEHICLES EXCISE DUTY

Chapter	Short title	Extent of repeal
1971 c. 10.	The Vehicles (Excise) Act 1971.	In section 2, in subsection (1), paragraph (c) and in subsection (4), paragraph (c) and the words “or paragraph (c)”. Section 10(2)(f). In section 13(1), the words “(except a seven day licence)”. In section 14(2) (c), the words “or seven day licences”. In section 38(1), the definition of “seven day licence”.
1972 c. 10 (N.I.).	The Vehicles (Excise) Act (Northern Ireland) 1972.	In section 2, in subsection (1), paragraphs (c) and (d), subsection (1A) and in subsection (5), paragraph (c) and the words “or paragraph (c)”. Section 10(2)(f). In section 13(1), the words “(except a seven day licence)”. In section 14(2) (c), the words “or seven day licences”. In section 35(1), the definition of “seven day licence”.
1982 c. 39.	The Finance Act 1982.	Section 5(5). In section 6, subsections (5) and (6).
1983 c. 28.	The Finance Act 1983.	Section 4(4).

These repeals have effect from 1st June 1988.

PART III

VALUE ADDED TAX

Chapter	Short title	Extent of repeal
---------	-------------	------------------

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1983 c. 55.	The Value Added Tax Act 1983.	In section 14(7), the words “or to pay tax”.Section 40(1)(i).
1984 c. 43.	The Finance Act 1984.	Section 12.
1985 c. 54.	The Finance Act 1985.	In section 14, in subsection (1), the words “paragraph (a) or paragraph (b) of”, in subsection (6), the words “nor be taken into account under subsection (2)(b) above” and, in subsection (7), the words “and shall not be taken into account under subsection (2)(b) above”.Section 18(2).Section 33(4).In Schedule 7, paragraph 1(1).
1987 c. 16.	The Finance Act 1987.	Section 13(4).In section 14, subsections (7) to (9).

PART IV

INCOME AND CORPORATION TAX: GENERAL

Chapter	Short title	Extent of repeal
1970 c. 9.	The Taxes Management Act 1970.	In section 18, in subsection (1), the words “other than interest to which subsection (4) below applies” and subsection (4).
1970 c. 10.	The Income and Corporation Taxes Act 1970.	In section 482, in subsection (1), paragraphs (a) and (b), subsections (7) to (9) and, in subsection (10), the words “and a body corporate” onwards.In Schedule 10, in paragraph 7(3), the words “the investments forming part of the premiums trust fund of the underwriter”.
1973 c. 51.	The Finance Act 1973.	In Schedule 16, paragraph 16.
1975 c. 45.	The Finance (No. 2) Act 1975.	In section 47, in subsection (1), the words “income tax, surtax or” and paragraph (b) and the word “or” immediately preceding it,

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1980 c. 48.	The Finance Act 1980.	in subsection (2), the words “by virtue of subsection (7) below”, subsection (3), in subsection (4), paragraph (b) and the words “, subject to subsection (6) below,”, subsections (5) to (7), in subsection (8), the words “or in respect” onwards and subsections (9) and (10).
1988 c. 1.	The Income and Corporation Taxes Act 1988.	Section 71. In section 1(3), the words “and the” onwards. Section 39(3). Section 258. In section 261, the words “258 or”. Sections 263 and 264. Section 265(3). Section 275. In section 278, in subsection (2), the words “Subject to subsection (3) below,” and subsections (3) to (7). In section 280(2)(b)(i), the reference to section 258. Section 284(1)(b). In section 289(14), the words “paragraph 3 of Schedule 2”. In section 348(3), the words from “a small” to “or to”. In section 349(3), the words “and subsection (1)” onwards. Section 351. In section 355, in subsection (1)(a) the words “or of a dependent relative or former or separated spouse of his,” and subsection (3). In section 357(2)(a), the words “or of a dependent relative or former or separated spouse of his”. In section 358(4)(a), the words “or of any dependent relative of the deceased”. In section 452(8)(a), the words “the investments forming part of the premiums trust fund of the underwriter”. In section 577, subsections (2), (4) and (6). In section 694(2), the words “at the rate of 30 per cent.”. In section 765, in subsection (1), paragraphs

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

(a) and (b). In section 767, subsections (1) to (4) and, in subsection (5), the words “and a body corporate” onwards. Section 780(5). In section 832(1), in the definition of “higher rate”, the words “and any” onwards. In section 833, in subsection (3), the words “or Schedule 2”, and paragraph (c) and the word “or” immediately preceding it, and, in subsection (4)(c), the reference to Schedule A. In section 835(5), the words “nor” onwards. Schedule 2. In Schedule 11, paragraphs 4 to 7. In Schedule 29 in paragraph 7, sub-paragraphs (1) and (3), and in the Table in paragraph 32, the entries relating to section 55(1)(g) of the Taxes Management Act 1970, paragraph 13 of Schedule 8 to the Finance Act 1971, section 108(9)(b) of the Finance Act 1980 and section 80(5)(b) of the Finance Act 1985.

-
- 1 The repeals in section 482 of the Income and Corporation Taxes Act 1970 and sections 765 and 767 of the Income and Corporation Taxes Act 1988 have effect from 15th March 1988 but subject to section 105(6) of this Act.
 - 2 The repeals in Schedule 10 to the Income and Corporation Taxes Act 1970 and the Finance Act 1973 have effect for the years 1986-87 and 1987-88.
 - 3 The repeal in the Finance Act 1980 has effect from 16th March 1988.
 - 4 The repeals in section 278 of the Income and Corporation Taxes Act 1988 have effect for the year 1990-91 and subsequent years of assessment.
 - 5 The repeal of section 351(1) to (7) of that Act and the repeals in sections 348 and 349 have effect in relation to payments made on or after 6th April 1989; and the repeal of section 351(8) has effect in relation to orders and variations made on or after that date.
 - 6 The repeals in sections 355, 357 and 358 of that Act have effect in accordance with section 44 of this Act.
 - 7 The repeals in section 577 of that Act have effect in accordance with section 72 of this Act.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 8 The repeals in Schedule 11 to that Act have effect in relation to payments to which section 74 of this Act applies.
- 9 The remaining repeals have effect for the year 1988-89 and subsequent years of assessment.

PART V

COMMERCIAL WOODLANDS

Chapter	Short title	Extent of repeal
1968 c. 43.	The Capital Allowances Act 1968.	In section 47, subsection (1) (b) and, in subsection (2), the words “(including woodlands)”. In section 69, the definitions of “forestry land” and “forestry income”. In section 70(7), the words from “and the occupation of woodlands” to “Schedule D”. Section 79(3). Section 85(4). In section 87(5), the words “This subsection” onwards. In Schedule 9, in paragraph 4, the words “or the occupation of woodlands in the United Kingdom”.
1970 c. 9.	The Taxes Management Act 1970.	In section 50(5), the proviso. In Schedule 3, in rule 4, the words “An appeal against an assessment under Schedule B and”.
1970 c. 10.	The Income and Corporation Taxes Act 1970.	In section 1, the entry for Schedule B. Section 67(3). Part IV. In section 108, in paragraph 1(b) of Schedule D, the reference to Schedule B. In section 109(2), in Case VI, the reference to Schedule B. Section 111. Section 168(8). In section 169(10), the words from “and in relation to the occupation of woodlands” to “paragraph 4 of Schedule 6 to the Finance Act 1988”. Section 171(5). Section 174(13). In section 226(9)(c), the words “Schedule B or”. In section 238(4)(b), the

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

		words “or the occupation of woodlands” onwards. Section 347(8)(b). In section 351(1)(a), the reference to Schedule B. Section 360(1)(b). In section 515(6), the words from “and in relation to the occupation of woodlands” to “Schedule D”. In section 530(1)(c), the words “Schedule B”.
1971 c. 68.	The Finance Act 1971.	Section 47(1)(b).
1972 c. 41.	The Finance Act 1972.	In Schedule 16, in paragraph 10(4A), the words “or Schedule B”.
1984 c. 43.	The Finance Act 1984.	Section 51.
1988 c. 1.	The Income and Corporation Taxes Act 1988.	In section 1, the reference to Schedule B. In section 6(4)(b), the words “or the occupation of woodlands” onwards. Section 15(3). Section 16. In section 18, in subsection (1), in paragraph (b) of Schedule D, and in subsection (3), in Case VI, the reference to Schedule B. Section 54. Section 380(4). In section 383(12)(a), the words from “and in relation to the occupation of woodlands” to “paragraph 4 of Schedule 6 to the Finance Act 1988”. Section 385(6). Section 389(8). Section 491(10)(b). Section 505(1)(b). In section 512(1)(a), the reference to Schedule B. In section 623(2)(c), the words “Schedule B or”. In section 810(6), the words from “and in relation to the occupation of woodlands” to “Schedule D”. In section 833(4)(c), the reference to Schedule B.
1988 c. 39.	The Finance Act 1988.	In Schedule 6, paragraphs 4 and 5(1).

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- 1 The repeals in the Taxes Management Act 1970, the repeals in sections 1, 67, 108, 109, 226(9)(c), 351(1)(a) and 530(1)(c) of the Income and Corporation Taxes Act 1970, the repeals of Part IV and section 360(1)(b) of that Act, the repeal in the Finance Act 1972, the repeal in the Finance Act 1984, the repeals in sections 1, 15, 18, 512(1)(a), 623(2)(c) and 833(4)(c) of the Income and Corporation Taxes Act 1988 and the repeal of sections 16 and 505(1)(b) of that Act have effect from 6th April 1988.
- 2 The repeals of section 111 of the Income and Corporation Taxes Act 1970 and section 54 of the Income and Corporation Taxes Act 1988 have effect from 15th March 1988.
- 3 The remaining repeals have effect from 6th April 1993.

PART VI

UNAPPROVED EMPLOYEE SHARE SCHEMES

Chapter	Short title	Extent of repeal
1970 c. 9.	The Taxes Management Act 1970.	In the Table in section 98, the reference to Schedule 12 to the Finance Act 1972 and in that Table as substituted by the Income and Corporation Taxes Act 1988, the reference to section 139 of that Act.
1972 c. 41.	The Finance Act 1972.	Section 79.Schedule 12 (except the definitions of “market value” and “shares” in paragraph 6).
1973 c. 51.	The Finance Act 1973.	Section 19.Schedule 8.
1974 c. 30.	The Finance Act 1974.	Section 20(2).
1979 c. 14.	The Capital Gains Tax Act 1979.	In Schedule 7, in the Table in paragraph 9, the entry relating to section 79(9) of the Finance Act 1972.
1982 c. 39.	The Finance Act 1982.	In section 41, the words “Paragraph 5 of Schedule 8 to the Finance Act 1973 and”.
1984 c. 43.	The Finance Act 1984.	Sections 40 and 41.
1986 c. 41.	The Finance Act 1986.	In section 23(4)(a), the words “and also to Schedule 8 to the Finance Act 1973” and the words “and share incentive”.Section 26(3) to (5) and (6)(b) to (d).

These repeals have effect in relation to acquisitions on or after 26th October 1987.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1988 c. 1.	The Income and Corporation Taxes Act 1988.	Sections 138 and 139.
------------	--	-----------------------

These repeals have effect in relation to acquisitions on or after 26th October 1987.

PART VII

CAPITAL GAINS: GENERAL

Chapter	Short title	Extent of repeal
1970 c. 10.	The Income and Corporation Taxes Act 1970.	In section 280(1)(b), the words “unless the ultimate disposal occurred before 30th April 1969,”.
1979 c. 14.	The Capital Gains Tax Act 1979.	Section 3. In section 101(8), the words “(being a time after 30th July 1978)”.
1985 c. 54.	The Finance Act 1985.	In section 68(4), the words “to which this subsection applies”. In Schedule 20, paragraph 16(4)(a) and (5).
1987 c. 16.	The Finance Act 1987.	Section 47.
1988 c. 1.	The Income and Corporation Taxes Act 1988.	In Schedule 29, in the Table in paragraph 32, the entries relating to section 266(4) of the Companies Act 1985 and the entries relating to Article 274(4) of the Companies (North-ern Ireland) Order 1986.

- 1 The repeals in the Income and Corporation Taxes Act 1988 have effect for companies’ accounting periods ending after 5th April 1988.
- 2 The remaining repeals have effect in relation to disposals made on or after 6th April 1988.

PART VIII

MARRIED COUPLES

Chapter	Short title	Extent of repeal
1970 c. 9.	The Taxes Management Act 1970.	In section 8(3B), the words “or of his wife living with him”. In section 11A(3). In section 13(1)(c), the words “,or is a married woman,”. In section 29(8), the words

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

		“and “return under Part II of this Act”” onwards. In section 93(1) the words from “or section 284(4)” to “wife”. In section 95(1) (a), the words from “or section 284(4)” to “wife”.
1975 c. 14.	The Social Security Act 1975.	In Schedule 2, paragraph 4.
1975 c. 15.	The Social Security (Northern Ireland) Act 1975.	In Schedule 2, paragraph 4.
1979 c. 14.	The Capital Gains Tax Act 1979.	Section 4(2). In section 5(6), the words “husbands and wives,”. Section 45. In Schedule 1, paragraphs 2 and 3.
1980 c. 48.	The Finance Act 1980.	Section 77(4)(b) and (d).
1982 c. 39.	The Finance Act 1982.	In section 80(3)(b), the words “2(1) and”.
1988 c. 1.	The Income and Corporation Taxes Act 1988.	In section 256, the words “and 287 and 288”. Sections 279 to 281. Sections 283 to 288. Section 304(1) to (4). In section 325, the words “and for this purpose” onwards. Section 347B(6). In section 361, in subsection (4) (d) the words “or his spouse” and in subsection (5) the words “, or whose spouses,”. Section 382(1) and (2). In section 420(2) (a)(i), the words “or the wife or husband of the borrower”. Section 525(5). Section 527(3). In section 535(5), the second sentence. Section 574(2)(b) and (c). In section 623, subsection (1), in subsection (2) the words “Subject to subsection (1) above,”, in subsection (6) (c) the words “or of the individual’s wife or husband”, in subsection (7) (a) the words “or that of his wife or her husband” and in subsection (8) the words “either” and “or to

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

		that individual's wife or husband".
		Section 644(7).In section 646, in subsections (2)(d), (5)(a) and (7) the words "or the individual's wife or husband".Section 703(7) and (8).In section 833(4), the second sentence.In Schedule 14, paragraph 1(2) and (3).In Schedule 29, in the Table in paragraph 32, the entries relating to sections 29(8), 93(1) and 95(1)(a) of the Taxes Management Act 1970 and paragraph 4 of Schedule 2 to the Social Security Act 1975 and those relating to the Social Security (Northern Ireland) Act 1975.
1988 c. 39.	The Finance Act 1988.	Section 40(3). In Schedule 10, in paragraph 5, in sub-paragraph (1), the words "(or, if he is a married man, to his wife)" and sub-paragraphs (3) to (5).
1	The repeals in section 361 of the Income and Corporation Taxes Act 1988 have effect in accordance with paragraph 15 of Schedule 3 to this Act.	
2	The repeals in sections 382 and 574 of that Act have effect in relation to relief given for the year 1990-91 or a subsequent year of assessment.	
3	The repeal in section 420(2) of that Act has effect in accordance with paragraph 16 of Schedule 3 to this Act.	
4	The repeal in section 525 of that Act has effect in relation to tax paid or borne or payable or falling to be paid or borne for the year 1990-91 or a subsequent year of assessment.	
5	The repeals in sections 527 and 535 of that Act have effect in relation to tax payable for the year 1990-91 or a subsequent year of assessment.	
6	The remaining repeals have effect for the year 1990-91 and subsequent years of assessment.	

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

PART IX

TAX APPEALS ETC. IN NORTHERN IRELAND

Chapter	Short title	Extent of repeal
1970 c. 9.	The Taxes Management Act 1970.	In section 2(6), the second sentence. In section 58, subsection (1), in subsection (2) the word “Special” and subsection (4). Section 59. In section 100(4), the words “(or, in Northern Ireland, the Special Commission-ers)”.
1975 c. 22.	The Oil Taxation Act 1975.	In section 20(2), the words “or, in Northern Ireland, to a county court”. In Schedule 2, in the Table in paragraph 1(1), in the entry relating to section 58(3) of the Taxes Management Act 1970, the words “Omit the references to section 59 and,”.
1975 c. 45.	The Finance (No. 2) Act 1975.	In section 45(3), the words “and section 59(6) (election for county court in Northern Ireland)” and the word “each”.
1978 c. 23.	The Judicature (Northern Ireland) Act 1978.	In Schedule 5, in Part II, in the entry relating to the Taxes Management Act 1970, the words “and 59(5)”.
S.I.1980/397 (N.I.3).	The County Courts (Northern Ireland) Order 1980.	In Schedule 1, in Part II, the entry relating to section 59(3) of the Taxes Management Act 1970.
1981 c. 35.	The Finance Act 1981.	In Schedule 17, in the Table in paragraph 18(1), in the entry relating to section 58(3) of the Taxes Management Act 1970, the words “Omit the reference to section 59 and”.
1988 c. 1.	The Income and Corporation Taxes Act 1988.	In Schedule 29, in the Table in paragraph 32, the entry relating to section 58(3)(b) of

Subject to any provision made by an order under subsection (9) of section 134 of this Act, these repeals come into force on the day appointed under subsection (4) of that section but do not affect any proceedings which by virtue of subsection (5) of that section are unaffected by subsections (1) to (3) of that section.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

the Taxes Management Act
1970.

Subject to any provision made by an order under subsection (9) of section 134 of this Act, these repeals come into force on the day appointed under subsection (4) of that section but do not affect any proceedings which by virtue of subsection (5) of that section are unaffected by subsections (1) to (3) of that section.

PART X

INHERITANCE TAX

Chapter	Short title	Extent of repeal
1984 c. 51.	The Inheritance Tax Act 1984.	Section 8(1A). In section 24(1), paragraph (b) and the word “and” immediately preceding it. In section 29(5), “(1)(b),”. Section 206. In section 226(3), the words “or, as the case may be, one year” and paragraph (b) and the word “or” immediately preceding it. In section 236(1), paragraph (b) and the word “and” immediately preceding it.
1986 c. 41.	The Finance Act 1986.	In Schedule 19, paragraph 3(2).

These repeals have effect in relation to transfers of value made on or after 15th March 1988.

PART XI

STAMP DUTY

Chapter	Short title	Extent of repeal
54 & 55 Vict. c. 39.	The Stamp Act 1891.	In Schedule 1, the whole of the heading “Unit Trust Instrument”.
8 & 9 Geo. 6 c. 42.	The Water Act 1945.	Section 41(8).
9 & 10 Geo. 6 c. 64.	The Finance Act 1946.	Section 53.
9 & 10 Geo. 6 c. 17 (N.I.).	The Finance (No.2) Act (Northern Ireland) 1946.	Section 24.
10 & 11 Eliz. 2 c. 44.	The Finance Act 1962.	Section 30.

These repeals have effect from 22nd March 1988.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

10 & 11 Eliz. 2 c. 17 (N.I.).	The Finance Act (Northern Ireland) 1962.	Section 3.
1963 c. 25.	The Finance Act 1963.	In section 65(2), the words “and in section 30 of the Finance Act 1962”.
1963 c. 22 (N.I.).	The Finance Act (Northern Ireland) 1963.	In section 14(2), the words “and in section 3 of the Finance Act (Northern Ireland) 1962”.
1968 c. 73.	The Transport Act 1968.	In section 160, subsections (2) and (3).
1971 c. 11.	The Atomic Energy Authority Act 1971.	Section 22(2).
1973 c. 51.	The Finance Act 1973.	Sections 47 to 49.Schedule 19.
S.I. 1973/1323 (N.I. 18).	The Finance (Miscellaneous Provisions) (Northern Ireland) Order 1973.	Articles 8 to 10.Schedule 2.
1976 c. 40.	The Finance Act 1976.	Section 128.
1980 c. 26.	The British Aerospace Act 1980.	Section 3(6).
1980 c. 34.	The Transport Act 1980.	Section 46(6).
1980 c. 48.	The Finance Act 1980.	In Schedule 18, in paragraph 12, sub-paragraphs (2) and (3).
1980 c. 60.	The Civil Aviation Act 1980.	Section 4(7).
1981 c. 35.	The Finance Act 1981.	In section 110, the words “section 30 of the Finance Act 1962 and section 3 of the Finance Act (Northern Ireland) 1962”.
1981 c. 38.	The British Telecommunications Act 1981.	In section 81, subsections (2) and (3).
1981 c. 56.	The Transport Act 1981.	In Schedule 1, paragraph 4.In Schedule 4, paragraph 7(1).
1982 c. 25.	The Iron and Steel Act 1982.	Section 13(2).
1984 c. 12.	The Telecommunications Act 1984.	Section 61(7).Section 63(5).
1984 c. 32.	The London Regional Transport Act 1984.	In section 64, subsections (1) to (6) and (8).
1984 c. 59.	The Ordnance Factories and Military Services Act 1984.	Section 13(3).

These repeals have effect from 22nd March 1988.

Status: Point in time view as at 21/07/2009.

Changes to legislation: Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

1985 c. 6.	The Companies Act 1985.	Section 161.
1985 c. 9.	The Companies Consolidation (Consequential Provisions) Act 1985.	In Schedule 2, the entry relating to the Finance Act 1973.
1985 c. 67.	The Transport Act 1985.	In section 131, subsections (1) to (5).
1986 c. 31.	The Airports Act 1986.	In section 76, subsections (1), (2) and (5).
1986 c. 44.	The Gas Act 1986.	Section 51(7).Section 52(5).
S.I. 1986/1032 (N.I.6).	The Companies (Northern Ireland) Order 1986.	Article 171.
S.I. 1986/1035 (N.I.9).	The Companies Consolidation (Consequential Provisions) (Northern Ireland) Order 1986.	In Part I of Schedule 1, the entry relating to the Finance (Miscellaneous Provisions) (Northern Ireland) Order 1973.

These repeals have effect from 22nd March 1988.

Status:

Point in time view as at 21/07/2009.

Changes to legislation:

Finance Act 1988 is up to date with all changes known to be in force on or before 02 September 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.