
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1988, Paragraph 12. (See end of Document for details)

SCHEDULES

SCHEDULE 3

MARRIED COUPLES: MINOR AND CONSEQUENTIAL PROVISIONS

PART I

AMENDMENTS OF THE TAXES ACT 1988

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which a married man or married woman has subscribed and which were issued while they were living together falls to be withdrawn in the year 1990-91 or any subsequent year of assessment by virtue of a disposal of those shares by the person who subscribed for them, any assessment for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—
- (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).

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- (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.

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