

Changes to legislation: Taxation of Chargeable Gains Act 1992, Cross Heading: Deemed disposals of UK land by companies previously owned by fund is up to date with all changes known to be in force on or before 23 June 2024. 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) View outstanding changes

SCHEDULES

[^{F1}SCHEDULE 5AAA

UK PROPERTY RICH COLLECTIVE INVESTMENT VEHICLES ETC

Textual Amendments

- F1** Sch. 5AAA inserted (with effect in accordance with Sch. 1 paras. 120, 123 of the amending Act) by Finance Act 2019 (c. 1), [Sch. 1 para. 21](#)

PART 4

EXEMPTION

Deemed disposals of UK land by companies previously owned by fund

- 31 (1) This paragraph applies if—
- (a) an election under paragraph 12 has been made in respect of a qualifying fund or qualifying company (“Q”),
 - (b) Q, or a company covered by the election, disposes of all of its rights and interests in another company (“C”) which is UK property rich, and
 - (c) C is covered by the election.
- (2) C is deemed for the purposes of this Act—
- (a) to have sold, at the relevant time, the appropriate proportion of every qualifying asset the actual disposal of which by C would be a direct or indirect disposal of UK land, and
 - (b) to have reacquired the appropriate proportion of the asset immediately after the relevant time,
at its market value at the relevant time.
- (3) In the case of a disposal, a company is “covered by the election” for the purposes of this paragraph if the disposal is one to which paragraph 16 applies where the election concerned is the one referred to in this paragraph.
- (4) For the purposes of this paragraph “the appropriate proportion” of an asset is equal to whatever would be, for the purposes of paragraph 16, the appropriate portion of any gain if it is assumed—
- (a) that C had sold the asset at the relevant time, and
 - (b) that the total consideration for that sale was such that it results in a gain of £100 accruing to C.
- (5) For the purposes of this paragraph, an asset is a “qualifying asset” if, throughout the period of one year ending with the day on which the disposal of the asset is made, the asset has been held by C or any other company covered by the election or by Q.

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- (6) In this paragraph “the relevant time” means the time immediately before the disposal of all the rights and interests in C.]

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied by [1997 c. 16 Sch. 12 para. 12\(7\)](#)[1314](#)
- Act applied by [2002 c. 23 Sch. 16 para. 48\(1\)\(2\)](#)
- Act construed as one with reg. 37 by [S.I. 2006/575 reg. 37\(2\)](#)
- Act construed as one with reg. 38 by [S.I. 2006/575 reg. 38\(3\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(10)(11) inserted by [2016 c. 11 s. 15\(4\)](#)
- s. 4(10) words inserted by [2016 c. 24 s. 83\(11\)](#)
- s. 35(3)(d)(xviii) added by [2008 c. 17 Sch. 7 para. 9](#)
- s. 35(3)(d)(xviii) inserted by [2008 c. 18 Sch. 13 para. 46](#)
- s. 35(3)(d)(xviii) repealed by [S.I. 2008/3002 Sch. 1 para. 42](#)[Sch. 3](#) (This amendment comes into force on the day 2008 c. 4, s. 5 comes into force, see art. 1(2). That provision was brought into force on 1.12.2008 by [S.I. 2008/3068](#), art. 2(1)(b))
- s. 104(4)(b)(i) words substituted by [S.I. 1989/469](#), reg. 27(2) (as amended) by [S.I. 1997/1716 reg. 13\(1\)\(b\)](#)
- s. 107(11) words substituted by [S.I. 1989/469](#), reg. 27(2A) (as amended) by [S.I. 1997/1716 reg. 13\(2\)\(b\)](#)
- s. 169S(4A) inserted by [2015 c. 11 s. 43\(2\)](#)
- s. 587B inserted by [2000 c. 17 s. 43\(1\)](#)
- Sch. 5C para. 3(1) modified by [S.I. 2004/2199 reg. 7\(1\)](#)
- Sch. 5C para. 3(6) modified by [S.I. 2004/2199 reg. 7\(2\)](#)
- Sch. 5C para. 5(1) modified by [S.I. 2004/2199 reg. 7\(3\)](#)
- Sch. 5C para. 3 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 5 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 6 words inserted by [S.I. 2005/3229 reg. 128](#)
- Sch. 5C para. 3(1)(f) words substituted by [2007 c. 3 Sch. 1 para. 347](#)