



Taxation of Chargeable Gains Act 1992

1992 CHAPTER 12

PART II

GENERAL PROVISIONS RELATING TO COMPUTATION OF GAINS AND ACQUISITIONS AND DISPOSALS OF ASSETS

CHAPTER III

COMPUTATION OF GAINS: GENERAL PROVISIONS

Miscellaneous provisions

[^{F1}48A Unascertainable consideration

- (1) This section applies where—
 - [^{F2}(a) a person (“P”) has made a disposal (“the original disposal”) on which a relevant non-resident gain or relevant non-resident loss accrued,]
 - (b) P acquired a right as the whole or part of the consideration for that disposal,
 - (c) on P's acquisition of the right, there was no corresponding disposal of it, and
 - (d) the right is a right to unascertainable consideration (see subsections (4) to (6)).
- (2) If P subsequently receives consideration (“the ascertained consideration”) representing the whole or part of the consideration referred to in subsection (1)(d) and [^{F3}P is not UK resident for the tax year in which the ascertained consideration is received (as determined for the purposes of Chapter 1 of Part 1)—]
 - (a) the ascertained consideration is treated as not accruing on the disposal of the right,
 - (b) the costs of P's acquisition of the right (or, in the case of a part disposal of the right, those costs so far as referable to the part disposed of) are taken to be nil, and
 - (c) the following steps are taken.

Changes to legislation: *Taxation of Chargeable Gains Act 1992, Section 48A is up to date with all changes known to be in force on or before 08 April 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*

Step 1 Any amount by which the ascertained consideration exceeds the relevant original consideration is treated as consideration (or further consideration) accruing on the original disposal. If the relevant original consideration exceeds the ascertained consideration, the consideration accruing on the original disposal is treated as reduced by the amount of the excess.

Step 2 Compute the difference that the adjustment under step 1 makes to what (if any) [F⁴relevant non-resident gain or relevant non-resident loss] or other gain or loss accrues on the original disposal (computing this separately for each type of gain or loss). The difference is “positive” if a loss is decreased (to nil or otherwise) or a gain created or increased. The difference is “negative” if a gain is reduced (to nil or otherwise) or a loss created or increased.

Step 3 Any positive amount computed under step 2 is treated for the purposes of this Act and the Management Act as a gain (of the type appropriate to the computation) accruing to P at the time of the receipt of the ascertained consideration. Any negative amount computed under step 2 is treated for the purposes of this Act and the Management Act as a loss (of the type appropriate to the computation) accruing to P at the time of the receipt of the ascertained consideration.

- (3) In step 1 in subsection (2), “the relevant original consideration” means the consideration accruing on the original disposal, so far as referable to the right mentioned in subsection (1)(b) (or, in the case of a part disposal of the right, referable to the part disposed of).
- (4) A right is a right to unascertainable consideration if, and only if—
- (a) it is a right to consideration the amount or value of which is unascertainable at the time when the right is conferred, and
 - (b) that amount or value is unascertainable at that time on account of its being referable, in whole or in part, to matters which are uncertain at that time because they have not yet occurred.

This subsection is subject to subsections (5) and (6).

- (5) The amount or value of any consideration is not to be regarded as being unascertainable by reason only—
- (a) that the right to receive the whole or any part of the consideration is postponed or contingent, if the consideration or, as the case may be, that part of it is, in accordance with section 48, brought into account in the computation of the gain accruing to a person on the disposal of an asset, or
 - (b) in a case where the right to receive the whole or any part of the consideration is postponed and is to be, or may be, to any extent satisfied by the receipt of property of one description or property of some other description, that some person has a right to select the property, or the description of property, that is to be received.
- (6) A right is not to be taken to be a right to unascertainable consideration by reason only that either the amount or the value of the consideration has not been fixed, if—
- (a) the amount will be fixed by reference to the value, and the value is ascertainable, or
 - (b) the value will be fixed by reference to the amount, and the amount is ascertainable.

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- [In this section—
- ^{F5}(7) “relevant non-resident gain” means—
- (a) a gain that falls to be dealt with by section 1A(3) because the asset disposed of is within paragraph (b) or (c) of that subsection, or
 - (b) a gain that falls to be dealt with by section 1A(1) in accordance with section 1G(2) because the asset disposed of is within section 1A(3)(b) or (c), and
- “relevant non-resident loss” means an allowable loss accruing on a disposal which, had a gain accrued instead, would have been a relevant non-resident gain.]]

Textual Amendments

- F1** S. 48A inserted (with effect in accordance with Sch. 7 para. 60 of the amending Act) by [Finance Act 2015 \(c. 11\)](#), [Sch. 7 para. 14](#)
- F2** S. 48A(1)(a) substituted (with effect in accordance with Sch. 1 paras. 27(5)(6), 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 1 para. 27\(2\)](#)
- F3** Words in s. 48A(2) substituted (with effect in accordance with Sch. 1 paras. 27(5)(6), 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 1 para. 27\(3\)\(a\)](#)
- F4** Words in s. 48A(2)(c) substituted (with effect in accordance with Sch. 1 paras. 27(5)(6), 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 1 para. 27\(3\)\(b\)](#)
- F5** S. 48A(7) inserted (with effect in accordance with Sch. 1 paras. 27(5)(6), 120, 123 of the amending Act) by [Finance Act 2019 \(c. 1\)](#), [Sch. 1 para. 27\(4\)](#)

Changes to legislation:

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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](#)