
Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1993, Paragraph 7. (See end of Document for details)

SCHEDULES

SCHEDULE 2

PROVISIONS RELATING TO CARRYING OUT OF APPROVED SCHEME OF REORGANISATION

PART I

TAXATION PROVISIONS

Modifications etc. (not altering text)

C1 Sch. 2 Pt. I modified (retrospectively) by 1996 c. 8, s. 203(1)

Unallowed capital losses

- 7 (1) This paragraph applies where under an approved scheme there are one or more relevant successors in relation to the relevant board.
- (2) Where there is one relevant successor in relation to the relevant board, any unallowed capital losses of the relevant board shall—
- (a) be apportioned between the relevant board and the relevant successor in accordance with the scheme, and
 - (b) so far as apportioned to the relevant successor, be treated as allowable capital losses accruing to it on the disposal of an asset on the vesting day under the scheme.
- (3) Where there is more than one relevant successor in relation to the relevant board, any unallowed capital losses of the relevant board shall—
- (a) be apportioned amongst the relevant board and the relevant successors in accordance with the scheme, and
 - (b) in the case of each relevant successor to which such losses are so apportioned, be treated as allowable capital losses accruing to it on the disposal of an asset on the vesting day under the scheme.
- (4) In this paragraph, references to relevant successor, in relation to the relevant board, include a body to which shares held by that board in a subsidiary of its are transferred in circumstances in which paragraph 3 above applies.
- (5) In this paragraph—
- “allowable capital losses” means losses which are allowable losses for the purposes of corporation tax on chargeable gains;
 - “relevant board” means the board to which the scheme relates; and
 - “unallowed capital losses” means any allowable capital losses which have accrued to the relevant board before the vesting day under the scheme, in so far as they have not been allowed as deductions from chargeable gains.

Changes to legislation:

There are currently no known outstanding effects for the Agriculture Act 1993, Paragraph 7.