



# Finance Act 1996

## 1996 CHAPTER 8

### PART IV

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER V

#### SELF ASSESSMENT, GENERAL MANAGEMENT ETC.

#### *Chargeable gains*

#### **141 Roll-over relief.**

- (1) In subsection (4) of section 152 of the Taxation of Chargeable Gains Act 1992 (roll-over relief)—
  - (a) after the word “making” there shall be inserted the words “ or amending ”; and
  - (b) after the word “assessments”, in the second place where it occurs, there shall be inserted the words “ or amendments ”.
- (2) After section 153 of that Act there shall be inserted the following section—

#### **“153A Provisional application of sections 152 and 153.**

- (1) This section applies where a person carrying on a trade who for a consideration disposes of, or of his interest in, any assets (“the old assets”) declares, in his return for the chargeable period in which the disposal takes place—
  - (a) that the whole or any specified part of the consideration will be applied in the acquisition of, or of an interest in, other assets (“the new assets”) which on the acquisition will be taken into use, and used only, for the purposes of the trade;
  - (b) that the acquisition will take place as mentioned in subsection (3) of section 152; and

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*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, Section 141. (See end of Document for details)*

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- (c) that the new assets will be within the classes listed in section 155.
- (2) Until the declaration ceases to have effect, section 152 or, as the case may be, section 153 shall apply as if the acquisition had taken place and the person had made a claim under that section.
- (3) The declaration shall cease to have effect as follows—
  - (a) if and to the extent that it is withdrawn before the relevant day, or is superseded before that day by a valid claim made under section 152 or 153, on the day on which it is so withdrawn or superseded; and
  - (b) if and to the extent that it is not so withdrawn or superseded, on the relevant day.
- (4) On the declaration ceasing to have effect in whole or in part, all necessary adjustments—
  - (a) shall be made by making or amending assessments or by repayment or discharge of tax; and
  - (b) shall be so made notwithstanding any limitation on the time within which assessments or amendments may be made.
- (5) In this section “the relevant day” means—
  - (a) in relation to capital gains tax, the third anniversary of the 31st January next following the year of assessment in which the disposal of, or of the interest in, the old assets took place;
  - (b) in relation to corporation tax, the fourth anniversary of the last day of the accounting period in which that disposal took place.
- (6) Subsections (6), (8), (10) and (11) of section 152 shall apply for the purposes of this section as they apply for the purposes of that section.”
- (3) In section 175 of that Act (replacement of business assets by members of a group)—
  - (a) in subsections (2A) and (2B), after the words “Section 152” there shall be inserted the words “ or 153 ”; and
  - (b) in subsection (2C), for the words “Section 152 shall not” there shall be substituted the words “ Neither section 152 nor section 153 shall ”.
- (4) In section 246 of that Act (time of disposal or acquisition), the words from “or, if earlier” to the end shall cease to have effect.
- (5) In subsection (5)(b) of section 247 of that Act (roll-over relief on compulsory acquisition), for the words “subsection (3)” there shall be substituted the words “ subsections (3) and (4) ”.
- (6) After that section there shall be inserted the following section—

**“247A Provisional application of section 247.**

- (1) This section applies where a person who disposes of land (“the old land”) to an authority exercising or having compulsory powers declares, in his return for the chargeable period in which the disposal takes place—
  - (a) that the whole or any specified part of the consideration for the disposal will be applied in the acquisition of other land (“the new land”);

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- (b) that the acquisition will take place as mentioned in subsection (3) of section 152; and
  - (c) that the new land will not be land excluded from section 247(1)(c) by section 248.
- (2) Until the declaration ceases to have effect, section 247 shall apply as if the acquisition had taken place and the person had made a claim under that section.
- (3) For the purposes of this section, subsections (3) to (5) of section 153A shall apply as if the reference to section 152(1)(c) or 153 were a reference to section 247 and the reference to the old assets were a reference to the old land.
- (4) In this section “land” and “authority exercising or having compulsory powers” have the same meaning as in section 247.”

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1996, Section 141.