
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1997, Paragraph 2. (See end of Document for details)

SCHEDULES

SCHEDULE 17

CHARGEABLE GAINS: RE-INVESTMENT RELIEF

Qualifying investments

- 2 (1) In subsection (8) of section 164A (cases where eligible shares are not a qualifying investment), after “in a qualifying company shall” there shall be inserted “, subject to subsection (8A) below, ”.
- (2) After that subsection there shall be inserted the following subsections—
- “(8A) Where the eligible shares acquired by any person in a qualifying company are shares which he acquires by their being issued to him, his acquisition of the shares shall not be regarded as the acquisition of a qualifying investment unless the qualifying company, or a qualifying subsidiary of that company, is intending to employ the money raised by the issue of the shares wholly for the purposes of a qualifying trade carried on by it.
- (8B) For the purposes of subsection (8A) above—
- (a) the purposes of a trade include the purpose of preparing for the carrying on of the trade; and
 - (b) “qualifying subsidiary” has the same meaning as in section 164G.”

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