



Finance Act 1998

1998 CHAPTER 36

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER II

TAXATION OF CHARGEABLE GAINS

Non-residents etc.

128 Disposal of interests in a settlement.

- (1) In section 76 of the ^{M1}Taxation of Chargeable Gains Act 1992 (disposal of interests in settled property)—
- (a) in subsection (1), at the beginning there shall be inserted “Subject to subsection (1A) below”;
 - (b) after that subsection there shall be inserted the subsections set out in subsection (2) below; and
 - (c) after subsection (2) there shall be inserted the subsection set out in subsection (3) below.
- (2) The subsections inserted after subsection (1) are as follows—
- “(1A) Subject to subsection (3) below, subsection (1) above does not apply if—
- (a) the settlement falls within subsection (1B) below; or
 - (b) the property comprised in the settlement is or includes property deriving directly or indirectly from a settlement falling within that subsection.
- (1B) A settlement falls within this subsection if there has been a time when the trustees of that settlement—
- (a) were not resident or ordinarily resident in the United Kingdom; or

Changes to legislation: *There are currently no known outstanding effects for the Finance Act 1998, Section 128. (See end of Document for details)*

- (b) fell to be regarded for the purposes of any double taxation relief arrangements as resident in a territory outside the United Kingdom.”
- (3) The subsection inserted after subsection (2) is as follows—
- “(3) Subsection (1A) above shall not prevent subsection (1) above from applying where the disposal in question is a disposal in consideration of obtaining settled property that is treated as made under subsection (2) above.”
- (4) This section has effect in relation to any disposal on or after 6th March 1998.

Marginal Citations

M1 1992 c. 12.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1998, Section 128.