

SCHEDULES

SCHEDULE 8

CHARGEABLE GAINS: EXEMPTIONS IN CASE OF SUBSTANTIAL SHAREHOLDING

PART 2

CONSEQUENTIAL AMENDMENTS

Degrouping: time of accrual of chargeable gain or allowable loss

- 2 In section 179(4) of the Taxation of Chargeable Gains Act 1992 (c. 12) (deemed sale and reacquisition on company ceasing to be member of group: time when chargeable gain or allowable loss treated as accruing), for “which, apart from this subsection, would accrue” substitute “accruing”.

Treatment of furnished holiday lettings

- 3 (1) Section 241 of the Taxation of Chargeable Gains Act 1992 (furnished holiday lettings) is amended as follows.
- (2) In subsection (3) (commercial letting of furnished holiday accommodation to be treated as trade for certain purposes), for the opening words substitute—
- “Subject to subsections (4) to (8) below, for the purposes of the provisions mentioned in subsection (3A) below—”.
- (3) After that subsection insert—
- “(3A) The provisions referred to in subsection (3) above are—
- sections 152 to 157 (roll-over relief on replacement of business asset),
- section 165 (gifts relief),
- Section 253 (relief for loans to traders),
- Schedule A1 (taper relief),
- Schedule 6 (retirement relief etc), and
- Schedule 7AC (exemptions for disposals by companies with substantial shareholding).”.
- (4) In subsection (4) for “sections mentioned in subsection (3)” substitute “provisions mentioned in subsection (3A)”.

Overseas life insurance companies

- 4 In Schedule 7B of the Taxation of Chargeable Gains Act 1992 (c. 12) (modification of Act in relation to overseas life insurance companies), after paragraph 15 add—

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2002, Part 2. (See end of Document for details)*

- “16 In Schedule 7AC, in paragraph 3(2)(c)(ii), the words “section 11(2)(b), (c) or (d) of the Taxes Act” shall be treated as substituted for the words “section 10(3)”.’”.

Corporate venturing scheme

- 5 In Schedule 15 to the Finance Act 2000 (c. 17) (the corporate venturing scheme), in paragraphs 84(1) and 85(1) after “(see paragraph 83” insert “ and paragraph 4 of Schedule 7AC to the Taxation of Chargeable Gains Act 1992 ”.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2002, Part 2.