
STATUTORY INSTRUMENTS

1995 No. 3220

**The Sale and Repurchase of Securities
(Modification of Enactments) Regulations 1995**

Redemption of securities— modification of enactments

4. In relation to any case where section 730A has effect as modified by regulation 3, section 263A(1) of the 1992 Act⁽¹⁾ shall have effect as if it provided in addition that—

- (a) the original owner shall be regarded for the purposes of capital gains tax as having disposed of the securities transferred by him to the interim holder pursuant to the arrangements—
 - (i) on the occasion of the redemption of the securities and not at the time of that transfer, and
 - (ii) for an amount equivalent to the proceeds of redemption; and
- (b) the interim holder shall be regarded for the purposes of capital gains tax as having acquired the securities transferred to him pursuant to the arrangements on that occasion and for that amount.

⁽¹⁾ Section 263A was inserted by section 80 (4) of the Finance Act 1995.