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STATUTORY INSTRUMENTS

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**2019 No. 689**

**The Taxes (Amendments) (EU Exit) Regulations 2019**

**PART 2**

Amendments to primary legislation

**Taxation of Chargeable Gains Act 1992**

- 6.**—(1) The Taxation of Chargeable Gains Act 1992(1) is amended as follows.
- (2) In section 140A(2)—
- (a) in subsections (1) and (1A) for “member State”, in each place where the expression occurs, substitute “relevant state”;
  - (b) in subsection (1C) for “another” substitute “a”.
- (3) In section 140C(3)—
- (a) in subsection (1)(a)—
    - (i) for “another” substitute “a”;
    - (ii) omit “other than the United Kingdom”;
  - (b) in subsection (1A) omit “other than the United Kingdom”, in both places where the expression occurs;
  - (c) in subsection (1C) for “another” substitute “a”.
- (4) In section 140DA(1)(4)—
- (a) in paragraph (b) for “member State” substitute “relevant state”;
  - (b) in paragraph (c) for “State” substitute “relevant state”.
- (5) In section 140E(5)—
- (a) in subsection (2)—
    - (i) in paragraph (a) for “member State” substitute “relevant state”;
    - (ii) in paragraph (b) for “State” substitute “relevant state”;
    - (iii) in paragraph (d)(ii) for “another” substitute “a”;
  - (b) in subsection (9)(a) omit “other than the United Kingdom”.
- (6) In section 140F(2)(6)—

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(1) 1992 c. 12.

(2) Section 140A was inserted by section 44 of the Finance (No. 2) Act 1992 (c. 48). Subsection (1) was amended by section 59(3) of the Finance (No. 2) Act 2005 and [S.I. 2007/3186](#). Subsections (1A) and (1C) were inserted by [S.I. 2007/3186](#).

(3) Section 140C was inserted by section 45 of the Finance (No. 2) Act 1992. Subsection (1)(a) was amended, and subsections (1A) and (1C) were inserted, by [S.I. 2007/3186](#).

(4) Section 140DA was inserted by [S.I. 2007/3186](#).

(5) Section 140E was inserted by section 51(1) of the Finance (No. 2) Act 2005 and substituted by [S.I. 2007/3186](#).

(6) Section 140F was inserted by section 51(1) of the Finance (No. 2) Act 2005 and substituted by [S.I. 2007/3186](#). Subsection (2) was amended by [S.I. 2008/1579](#).

- (a) in paragraph (a) for “member State” substitute “relevant state”;
- (b) in paragraph (b) for “State” substitute “relevant state”;
- (c) in paragraph (c)—
  - (i) for “another” substitute “a”;
  - (ii) omit “other than the United Kingdom”;
- (d) in paragraph (e)(ii) for “another” substitute “a”.
- (7) In section 140G(2)(7)—
  - (a) in paragraph (a) for “member State” substitute “relevant state”;
  - (b) in paragraph (b) for “State” substitute “relevant state”.
- (8) In section 140GA(8)—
  - (a) in paragraph (b) for “member State” substitute “relevant state”;
  - (b) in paragraph (c) for “State” substitute “relevant state”.
- (9) In section 140H(3)(9) omit “other than the United Kingdom”.
- (10) In section 140I(3) omit “other than the United Kingdom”.
- (11) In section 140J(3) omit “other than the United Kingdom”.
- (12) In section 140L(10)—
  - (a) in subsection (1)—
    - (i) at the end of paragraph (b) (but before the “and”) insert—
      - “(ba) “relevant state” means the United Kingdom or a member State.”;
    - (ii) in paragraph (c) omit “other than the United Kingdom”;
  - (b) for subsection (2) substitute—
    - “(2) For the purposes of those sections and subsection (1) above, a company is resident in a relevant state if—
      - (a) it is within a charge to tax under the law of the relevant state as being resident for that purpose, and
      - (b) it is not regarded, for the purposes of any double taxation relief arrangements to which the relevant state is a party, as resident in a territory not within a relevant state.”.
- (13) In section 151N(11)—
  - (a) in subsection (1)(h) for “an EEA-regulated” substitute “a regulated”;
  - (b) in subsection (2)—
    - (i) at the end of paragraph (h) insert “and”;
    - (ii) omit paragraphs (j) and (k);
  - (c) after subsection (2) insert—
    - “(2A) In subsection (1)—

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(7) Section 140G was inserted by section 51(1) of the Finance (No. 2) Act 2005 and substituted by [S.I. 2007/3186](#).

(8) Section 140GA was inserted by [S.I. 2008/1579](#).

(9) Sections 140H to 140L were inserted by [S.I. 2007/3186](#). Subsection (3) of sections 140H, 140I and 140J were amended by paragraph 44 of Schedule 8 to the Taxation (International and Other Provisions) Act 2010 (c. 8).

(10) Section 140L(1) was amended by paragraph 235 of Schedule 1 to the Corporation Tax Act 2010 (c. 4), [S.I. 2008/1579](#) and [S.I. 2011/1431](#).

(11) Section 151N was inserted by paragraph 34 of Schedule 2 to the Taxation (International and Other Provisions) Act 2010 and amended by section 34(2) of the Finance Act 2018 (c. 3).

“regulated recognised stock exchange” means a recognised stock exchange that is regulated in the United Kingdom, the European Economic Area or Gibraltar;

“multilateral trading facility” means—

- (a) a UK multilateral trading facility within the meaning given by Article 2.1(14A) of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments,
- (b) an EU multilateral trading facility within the meaning given by Article 2.1(14B) of that Regulation, and
- (c) a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments (in the system and in accordance with non-discretionary rules) in a way which results in a contract in accordance with Part 2 of the Financial Services (Markets in Financial Instruments) Act 2018 of Gibraltar, and in paragraph (c) “multilateral system”, “investment firm”, “market operator” and “financial instrument” have the same meanings as given by Articles 2.1(11), 2.1A, 2.1(10) and 2.1(9) respectively of that Regulation.”

(14) In section 241A(1) and (6)(12) omit “other than the United Kingdom”.

(15) In section 285A(13)—

- (a) in the heading, at the beginning insert “UK Economic Interest Groupings(14)”;
- (b) in subsection (1) after “rules about” insert “UK Economic Interest Groupings and”;
- (c) for subsection (5) substitute—

“(5) “European Economic Interest Grouping” means a grouping registered in a member State and formed in pursuance of [Council Regulation \(EEC\) No. 2137/85](#) of 25 July 1985 on the European Economic Interest Grouping(15) as it has effect in EU law.”

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(12) Section 241A was inserted by paragraph 14(3) of Schedule 14 to the Finance Act 2011 (c. 11).

(13) Section 285A was inserted by paragraph 341 of Schedule 1 to the Income Tax Act 2007 (c. 3).

(14) See the European Economic Interest Grouping (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1299).

(15) OJ L No.199, 31.07.1985, p. 1.