



# Finance Act 1974

## CHAPTER 30

### FINANCE ACT 1974

#### PART I

##### CUSTOMS AND EXCISE AND VALUE ADDED TAX

1	.....
2	Increase of certain duties on betting.
3	.....
4	.....
5	.....
6	.....

#### PART II

##### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX (GENERAL)

7–16	.....
17	.....
18–20	.....
21	.....
22, 23	.....
24	Returns of persons treated as employees.
25–28	.....
29	Depreciatory transactions
30	.....
31–33	.....
34	.....
35	.....
36, 37	.....

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)*

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**PART III**

**CAPITAL GAINS FROM LAND**

**CHAPTER I**

**DEVELOPMENT GAINS FROM LAND**

- 38 Certain development gains from land to be taxed as income.
- 39 Exemption or relief for small disposals.
- 40 Development losses.
- 41 Disposals of interests in land effected indirectly.
- 42 Disposals of interests in settled property.
- 43 Special rates of charge for development gains accruing to trustees, personal representatives or unit trust schemes.
- 44 Supplementary

**CHAPTER II**

**FIRST LETTING OR OCCUPATION OF BUILDING AFTER MATERIAL DEVELOPMENT**

- 45 Charge to tax: first letting or occupation of building after material development.
- 46 Interpretation, etc.

**CHAPTER III**

**OTHER PROVISIONS ABOUT CAPITAL GAINS FROM LAND**

- 47 Matters arising out of Chapters I and II of this Part.
- 48 .....

**PART IV**

**MISCELLANEOUS AND GENERAL**

- 49 Increase of certain stamp duties.
- 50 Vehicle excise duty-disabled persons.
- 51 .....
- 52 .....
- 53 .....
- 54 Grants towards duty charged on bus fuel.
- 55 Power to authorise amendment of taxi fare byelaws.
- 56 Trustee savings banks—special investments.
- 57 Citation, interpretation, construction and repeals.

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**SCHEDULES**

SCHEDULES 1, 2 — .....

SCHEDULE 3 — PROVISIONS SUPPLEMENTARY TO SECTION 38

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)

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PART I — DEFINITIONS OF CURRENT USE VALUE, MATERIAL DEVELOPMENT, ETC.

*Definition of current use value*

- 1 (1) For the purpose of the principal section and this...

*Current use value—part disposals*

- 2 (1) Subject to sub-paragraphs (5) to (7) below, this paragraph...  
3 In computing under this Chapter any gain accruing to a...

*Current use value—leases and reversions*

- 4 (1) The current use value of an interest in land...  
5 (1) In computing under this Chapter any gain accruing to...

*Definition of material development*

- 6 In this Schedule, subject to the following paragraph, “ material...  
7 (1) The doing of any of the following things in...  
8 The classes of purposes mentioned in paragraph 7(1)(f) above are...

*Date when material development is begun*

- 9 (1) For the purposes of this Schedule material development shall...

*Interpretation*

- 10 (1) In this Part of this Schedule, unless the context...

PART II — OTHER PROVISIONS SUPPLEMENTARY TO SECTION 38

*Computation of development gain in respect of disposal of interest in land after material development has been carried out*

- 11 (1) This paragraph shall apply in relation to a disposal...

*Computation of development gain in respect of disposal of interest in land reflecting expenditure on enhancement*

- 12 (1) This paragraph shall apply in relation to a disposal...

*Provisions supplementary to paragraphs 11 and 12*

- 13 (1) Where paragraph 11 of this Schedule would, apart from...  
14 (1) Subject to the following sub-paragraph, material development shall for...

*Computation of amount given by subsection (3)(c) of principal section in certain cases within [paragraph 9(4) of Schedule 5 to the Capital Gains Tax Act 1979 ]*

- 15 Where a chargeable gain accrues to a person on a...

*Computation of development gains in connection with replacements of business assets*

- 16 (1) Subject to the provisions of paragraph 2 of Schedule...  
17 Where under [ section 115(1)(b) or 116(1)(b) of the Capital...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)*

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*Replacement of business assets*

18 (1) If the consideration which a person carrying on a...

*Replacement of business assets: depreciating assets*

[19 (1) Paragraph 18 above shall have effect subject to the...

*Company amalgamations*

20 (1) Where a company issues shares or debentures to a...

*Private residences*

21 Where [ subsection (2) of section 102 of the Capital...

*Transfer of business on retirement*

22 (1) Where a disposal within subsection (1) of [ section...

*Insurance companies*

23 Where, in the case of an insurance company carrying on...

*Chargeable gains in respect of mineral royalties*

24 No part of any chargeable gain which under section 29...

*Computation of development gain in respect of disposal of interest in land with planning permission for the winning and working of minerals*

25 (1) Without prejudice to any other provisions of this Schedule...

SCHEDULE 4 — TRANSITIONAL PROVISIONS RELATING TO DEVELOPMENT GAINS

1 In this Schedule “ the principal section ” means section...

*Replacement of business assets*

2 (1) This paragraph shall apply in relation to a disposal...

*Conditional contracts entered into before 18th December 1973*

3 If the disposal of an asset under a conditional contract...

*Disposals under arrangements made before 18th December 1973*

4 Where an owner of an interest in land to which...

*Disposal to authority exercising compulsory powers where notice to treat was served before 18th December 1973*

5 (1) Where a disposal of an interest in land to...

SCHEDULE 5 —

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SCHEDULE 6 — DEVELOPMENT LOSSES

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)

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### *Interpretation*

- 1 (1) In this Schedule “ the principal section ” means...

### *Losses accruing to persons not resident or ordinarily resident in the United Kingdom*

- 2 A loss accruing to a person in a chargeable period...

### *Modification of sections 176 and 179 of the Taxes Act (Case VI losses) in relation to development losses*

- 3 In its application to a development loss in accordance with...  
4 Without prejudice to the following provisions of this Schedule, any...

### *Computation of development loss in cases where paragraph 11 or 12 of Schedule 3 would apply in computing a development gain*

- 5 For the purpose of computing the development loss accruing to...

### *Computation of amount given by subsection (4) of principal section in certain cases within [paragraph 9(4) of Schedule 5 to the Capital Gains Tax Act 1979 ]*

- 6 Where an allowable loss accrues to a person on a...

### *Private residences*

- 7 Where a claim under the principal section is made in...

### *Set-off of development losses*

- 8 (1) Where, in the case of any person, section 39(1)...

### *Insurance companies*

- 9 (1) Where, in the case of an insurance company carrying...

## SCHEDULE 7 — TREATMENT OF DEVELOPMENT GAINS UNDER THE TAX ACTS

### *Individuals*

- 1 For the purposes mentioned in subsection (3) of section 32...  
2 (1) An individual to whom a development gain accrues may...

### *Companies: general*

- 3 (1) Subject to paragraph 4 below, advance corporation tax paid...

### *Close companies*

- 4 (1) Paragraph 3(1) above shall not apply in the case...  
5 In paragraph 10(8) of Schedule 16 to the Finance Act...  
6 After paragraph 14 of Schedule 16 to the Finance Act...

### *Insurance companies*

- 7 (1) A development gain accruing to an insurance company carrying...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)*

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*Discretionary trusts*

8 In section 17 of the Finance Act 1973 ( payments...

*Estates of deceased persons in course of administration*

9 (1) Where a development gain has accrued to the personal...

*Settlements on children*

10 Where a development gain accrues in respect of a disposal...

SCHEDULE 8 — ADAPTATIONS AND AMENDMENTS OF PROVISIONS  
RELATING TO THE TAXATION OF CAPITAL GAINS

*Persons chargeable to tax in respect of development gains*

1 [ Sections 2 and 12 of the Capital Gains Tax...

*Development gains accruing to non-resident companies and trusts*

2 [ Section 15 of the Capital Gains Tax Act 1979...

3 [ Section 17 of the Capital Gains Tax Act 1979...

*Development gains accruing in connection with replacement of business assets*

4 Where a development gain accrues to a person in respect...

*Development gains accruing in connection with company amalgamations*

5 Where a company has issued shares or debentures to a...

*Transfer of business to a company*

6 .....

7 (1) If, in a case where [ section 123 of...

SCHEDULE 9 — SUPPLEMENTARY PROVISIONS ABOUT DEEMED  
DISPOSALS UNDER SECTION 45

*Interpretation*

1 (1) In this Schedule — “ the five-year period ”,...

*The interest of a relevant person*

2 (1) In the case of a relevant chargeable building, this...

*Interests other than that of a relevant person*

3 (1) Subject to the following paragraphs of this Schedule, this...

4 (1) In the case of a relevant chargeable building, paragraph...

5 In the case of a relevant chargeable building, subsection (1)...

*Provisions supplementary to paragraph 3*

6 (1) The following provisions of this paragraph shall have effect...

*Changes to legislation:* There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)

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*Exemption for interest in land occupied on the material date in right of that interest*

7 (1) Where, in the case of a relevant chargeable building,...

*Exemption for interest in land disposed of after the material date*

8 (1) Where, in the case of a relevant chargeable building,...

*Exemption by reference to occupation within three years of the material date of land then intended to be occupied*

9 (1) The following provisions of this paragraph shall have effect...

*Exemption for interests in land subject on 18th December 1973 to certain leases or agreements for a lease*

10 (1) In the case of a relevant chargeable building, subsection...

*Groups of companies*

11 (1) For the purposes of determining whether a chargeable building...

*Tied premises*

12 (1) For the purposes of this Chapter a person carrying...

*Power to make assessments etc. in connection with certain deemed disposals*

13 (1) Where in accordance with this Schedule subsection (1) of...

*Postponement of payment of tax*

14 (1) Subject to sub-paragraph (2) below, where an interest in...

*Consideration for deemed disposal to be disregarded in certain circumstances in computing capital gain*

15 Where an interest in land is under subsection (1) of...

*Deemed disposals in cases involving the grant of a lease for a premium*

16 (1) Where an interest in land is under subsection (1)...

17 Where an interest in land is under subsection (1) of...

18 Where an interest in land consisting of a reversion on...

SCHEDULE 10 — MATTERS ARISING OUT OF CHAPTERS I AND II OF PART III OF THIS ACT

*Recovery of tax from persons not primarily liable*

1 The following provisions ( which provide for the recovery of...

*Postponement of payment of tax*

2 Subject to paragraph 14(6) of Schedule 9 to this Act,...

*Returns by relevant persons*

3 (1) Every person who to the best of his knowledge...

*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)*

*Information*

4 (1) The inspector may by notice in writing require —...

*Amendments of the Taxes Management Act 1970*

5 (1) The Taxes Management Act 1970 shall have effect subject...

SCHEDULE 11 —

PART I — PROVISIONS HAVING EFFECT IN GREAT BRITAIN

- 1 (1) This Part of this Schedule, except paragraphs 6 and...
- 2 .....
- 3-4 .....
- 5 .....
- 6-8 .....

*Duplicates and counterparts*

9 In the heading “Duplicates or Counterpart of any instrument chargeable...”

*Lease or tack*

10 (1) The heading “Lease or Tack” in Schedule 1 to...

PART II — PROVISIONS HAVING EFFECT IN NORTHERN IRELAND

- 11 (1) This Part of this Schedule shall have effect as...
- 12 .....
- 13 - 14 .....
- 15 .....
- 16 .....

*Duplicates and counterparts*

18 In the heading “Duplicate or Counterpart of any instrument chargeable...”

*Lease or tack*

19 (1) The heading “Lease or Tack” in Schedule 1 to...

PART III

- 20—23 .....

SCHEDULE 12 — SUBSTITUTION OF “LOCAL AUTHORITY” AS DEFINED IN SECTION 52

- 1-5 .....
- 7-12 .....

SCHEDULE 13 —

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SCHEDULE 14 — ENACTMENTS REPEALED

PART I — INTEREST

These repeals do not apply in relation to interest excepted...

PART II — SHARE OPTION AND SHARE INCENTIVE SCHEMES

These repeals do not affect the cases excepted by section...

Part III — STAMP DUTY REPEALS HAVING EFFECT FROM 1ST MAY 1974

These repeals have effect as from 1st May 1974.



*Changes to legislation: There are currently no known outstanding effects for the Finance Act 1974. (See end of Document for details)*

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Part IV — STAMP DUTY REPEALS HAVING EFFECT FROM 1ST AUGUST 1974  
These repeals take effect on 1st August 1974.

— REGIONAL EMPLOYMENT PREMIUMS

PART V

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PART VI — MISCELLANEOUS

PART VII — SPENT ENACTMENTS

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1974.