



# Finance Act 1998

## 1998 CHAPTER 36

### PART III

#### INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

### CHAPTER II

#### TAXATION OF CHARGEABLE GAINS

##### *Taper relief and indexation allowance*

#### **122 Freezing of indexation allowance for CGT.**

<sup>F1</sup>(1) .....

<sup>F1</sup>(2) .....

<sup>F1</sup>(3) .....

(4) In section 13 of that Act (attribution of gains to non-resident companies), the following subsection shall be inserted after subsection (11)—

“(11A) For the purposes of this section the amount of the gain or loss accruing at any time to a company that is not resident in the United Kingdom shall be computed (where it is not the case) as if that company were within the charge to corporation tax on capital gains.”

<sup>F2</sup>(5) .....

(6) Subject to subsection (7) below, the preceding provisions of this section have effect in relation to disposals on or after 6th April 1998.

(7) This section does not affect the computation of the amount of so much of any gain as—  
(a) is treated for the purposes of the taxation of chargeable gains as having accrued on a disposal on or after 6th April 1998; but

---

**Changes to legislation:** *There are currently no known outstanding effects for the Finance Act 1998, Section 122. (See end of Document for details)*

---

- (b) is taken for those purposes to be equal to the whole or any part of a gain that—
- (i) would (but for any enactment relating to the taxation of chargeable gains) have accrued on an actual disposal made before that date, or
  - (ii) would have accrued on a disposal assumed under any such enactment to have been made before that date.

---

**Textual Amendments**

- F1** S. 122(1)-(3) omitted (with effect in accordance with Sch. 2 para. 83 to the amending Act) by virtue of Finance Act 2008 (c. 9), **Sch. 2 para. 82**
- F2** S. 122(5) omitted (with effect in accordance with Sch. 2 para. 83 to the amending Act) by virtue of Finance Act 2008 (c. 9), **Sch. 2 para. 82**

**Changes to legislation:**

There are currently no known outstanding effects for the Finance Act 1998, Section 122.