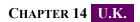


Corporation Tax Act 2009

2009 CHAPTER 4

PART 8 U.K.

INTANGIBLE FIXED ASSETS



MISCELLANEOUS PROVISIONS

Assets ceasing to be or becoming chargeable intangible assets

859 Asset ceasing to be chargeable intangible asset: deemed realisation at market value U.K.

- (1) If an asset ceases to be a chargeable intangible asset in relation to a company in any of the circumstances specified in subsection (2), this Part applies as if—
 - (a) immediately before the asset ceased to be a chargeable intangible asset in relation to the company, the company had realised the asset for its market value at that time, and
 - (b) the company had immediately reacquired it at that value.

(2) The circumstances are—

- (a) that the company ceases to be UK resident,
- (b) in the case of a company that is not UK resident, any circumstances not involving the realisation of the asset by the company, and
- (c) that the asset begins to be held for the purposes of a mutual trade or business.

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Textual Amendments

F1 S. 859(3) omitted (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by virtue of Finance Act 2019 (c. 1), Sch. 8 para. 10(3)

^{F2}860 Asset ceasing to be chargeable intangible asset: postponement of gain U.K.

Textual Amendments

F2 Ss. 860-862 repealed (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by Finance Act 2019 (c. 1), Sch. 8 para. 10(1)

^{F2}861 Treatment of postponed gain on subsequent realisation U.K.

Textual Amendments

F2 Ss. 860-862 repealed (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by Finance Act 2019 (c. 1), Sch. 8 para. 10(1)

^{F2}862 Treatment of postponed gain in other cases **U.K.**

Textual Amendments

F2 Ss. 860-862 repealed (with effect in accordance with Sch. 8 para. 10(5) of the amending Act) by Finance Act 2019 (c. 1), Sch. 8 para. 10(1)

863 Asset becoming chargeable intangible asset U.K.

- (1) This section applies if an asset becomes a chargeable intangible asset in relation to a company—
 - (a) on the company becoming UK resident,
 - (b) in the case of a company that is not UK resident, on the asset beginning to be held[^{F3}—
 - (i)] for the purposes of a trade carried on by the company in the United Kingdom through a permanent establishment,
 - [^{F4}(ii) for the purposes of a trade carried on by the company of dealing in or developing UK land,
 - (iii) for the purposes of a UK property business carried on by the company, or
 - (iv) for the purposes of enabling the company to generate other UK property income (within the meaning given by section 5(6)),] or

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- (c) on the asset ceasing to be held for the purposes of a mutual trade or business.
- (2) This Part applies as if—
 - (a) the company had acquired the asset immediately after it became a chargeable intangible asset in relation to the company, and
 - (b) had done so for its accounting value at that time.

 $[^{F5}(3)$ But subsection (2)(b) is subject to section 863A.]

Textual Amendments

- F3 Words in s. 863(1)(b) renumbered as s. 863(1)(b)(i) (6.4.2020) by virtue of Finance Act 2019 (c. 1),
 Sch. 5 paras. 27(a), 35 (with Sch. 5 para. 36)
- **F4** S. 863(1)(b)(ii)-(iv) inserted (6.4.2020) by Finance Act 2019 (c. 1), Sch. 5 paras. 27(b), 35 (with Sch. 5 para. 36)
- F5 S. 863(3) inserted (with effect in accordance with Sch. 8 para. 12(4) of the amending Act) by Finance Act 2019 (c. 1), Sch. 8 para. 12(2)

[^{F6}863A Asset becoming chargeable intangible asset: EU exit charge U.K.

- (1) This section applies if—
 - (a) an asset becomes a chargeable intangible asset in relation to a company by reason of an event specified in section 863(1)(a) or (b), and
 - (b) on the occurrence of that event the company becomes subject to an EU exit charge in respect of the asset.
- (2) This Part applies as if the company had acquired the asset for its market value at the time it became a chargeable intangible asset in relation to the company.
- (3) "EU exit charge" means a charge to tax under the law of a member State in accordance with Article 5(1) of Directive (EU) 2016/1164 of the European Parliament and of the Council of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market.]

Textual Amendments

F6 S. 863A inserted (with effect in accordance with Sch. 8 para. 12(4) of the amending Act) by Finance Act 2019 (c. 1), Sch. 8 para. 12(3)

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by S.I. 2011/1043 art. 34

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by 2016 c. 24 s. 73(5)
- s. 934(1A)(1B) inserted by 2023 c. 30 Sch. 2 para. 12(2)
- s. 962(3A) inserted by 2023 c. 30 Sch. 2 para. 12(5)(b)
- s. 962A(3A) inserted by 2023 c. 30 Sch. 2 para. 12(6)(b)
- s. 963(1A) inserted by 2023 c. 30 Sch. 2 para. 12(7)(a)
- s. 1058B(5)(ea) inserted by 2023 c. 20 Sch. para. 57
- s. 1094(2A)-(2C) inserted by 2012 c. 14 Sch. 3 para. 13(3)
- s. 1106(4A)-(4C) inserted by 2012 c. 14 Sch. 3 para. 14(3)
- s. 1138A applied by S.I. 2024/348 reg. 3