

Beta This part of GOV.UK is being rebuilt – [find out what beta means \(/help/beta\)](#)

HMRC internal manual

Corporate Intangibles Research and Development Manual

From: [HM Revenue & Customs](#)
([/government/organisations/hm-revenue-customs](#))

Published 11 March 2016

Updated: 10 September 2025 - [See all updates](#)

[Back to contents](#) > [CIRD10000](#) > [CIRD20200](#)

CIRD20270 - Reinvestment relief: computation: interaction with CG roll-over relief: circumstances where roll-over relief no longer available TCGA92/S156ZA - S156ZB

Restriction of roll-over relief

As explained in [CIRD20050](#)
(<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development->

[manual/cird20050](#)), CG on the disposal of goodwill or intangible assets on or after 1 April 2002 may qualify for reinvestment relief under CTA09/PART8 by reference to expenditure on assets within CTA09/PART 8.

The counterpart to this is that for the purposes of CT CG roll-over relief ceases to be available:

- to defer gains on the disposal of goodwill (and the various types of agricultural and fishing quota within TCGA92/S155) on or after 1 April 2002 against the acquisition of new assets (tangible or intangible) after that date, and
- to defer gains on the disposal at any time of any asset (tangible or intangible) where the replacement assets qualify as chargeable intangible assets within CTA09/PART 8 (see [CIRD20035 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20035\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20035)).

Gains qualifying both for roll-over relief and CTA09/PART 8 reinvestment relief

A capital gain arising on the disposal of goodwill or the various types of qualifying quota on or after 1 April 2002 can therefore attract:

- CG roll-over relief by virtue of the acquisition of new assets (tangible or intangible) before 1 April 2002 in the normal way; the requirement that the acquisition should normally be made within the 12 months before the disposal means that only disposals on or before the end of March 2003 can qualify,
- reinvestment relief under CTA09/PART 8 by virtue of the acquisition of the replacement assets qualifying as chargeable intangible assets within CTA09 PART 8 (see CIRD20035).

Such a capital gain can be deferred partly by virtue of the acquisition of new assets within the CG roll-over relief rules and partly by virtue of expenditure on chargeable intangible assets. See [CIRD20290 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20290\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20290). Relief is only available once, whether the taxpayer opts for rollover relief, reinvestment relief or a mixture of the two.

Goodwill and intangible assets acquired on or after 1 April 2002 which are not 'chargeable intangible assets'

Some goodwill or qualifying quota acquired by a company on or after 1 April 2002 will not be a chargeable intangible asset (see [CIRD20035 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20035\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20035)) in the company's hands, normally because the asset was in existence prior to 1 April 2002 and the vendor is a 'related party' ([CIRD45105 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird45105\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird45105)) thereby failing the 'FA02 rule' ([CIRD11500 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird11500\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird11500)).

Note that:

1. reinvestment in these assets can be used in CG roll-over relief claims on the disposal of any asset within TCGA92/S155 before 1 April 2002 and on the disposal afterwards of those assets which continue to qualify, such as land and buildings, but
2. there are no exceptions to the rule that the disposal of goodwill or intangible assets, that would be within CTA09/PART 8 but for the FA02 rule, on or after 1 April 2002 ceases to attract CG roll-over relief; so gains on these disposals cannot be rolled over under the CG code by virtue of reinvestment in the assets referred to in

the heading above, even though such a reinvestment cannot be used in a reinvestment relief claim within CTA09/PART 8 either.

Flowchart and table

There is a flowchart in [CIRD20280](https://www.gov.uk/hmrc-internal-manuals/cird20280) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20280>) and a table in [CIRD20285](https://www.gov.uk/hmrc-internal-manuals/cird20285) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20285>) summarising the main points outlined above.

← **Previous page**
([hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20240](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20240))

→ **Next page**
([hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20280](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20280))



OGL

All content is available under the [Open Government Licence v3.0](#), except where otherwise stated



© Crown copyright