

**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](#) > [CIRD20400](#)

## CIRD20460 - Reinvestment relief: groups of companies: relief against taxable credit on degrouping

### CTA09/PART8/S791

The rule that reinvestment relief cannot reduce a taxable credit arising on the deemed realisation of chargeable intangible assets (see [CIRD20070](#) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20070>)) is subject to an exception where the taxable credit arises as a result of the deemed

realisation and reacquisition of an asset under the degrouping rules (see [CIRD40500](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40500) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40500>) onwards).

To make such relief possible, S791 adapts the general reinvestment relief rules as follows:

- the requirement that the old asset must be a 'chargeable intangible asset' of the company realising it (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>)) applies instead to the company from which it acquired the asset,
- the time limits for reinvestment (see [CIRD20110](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20110) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20110>)) run from the date of the event which triggers the degrouping adjustment (see [CIRD40520](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40520) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40520>) and [CIRD40540](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40540) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird40540>)), not from the date of the transfer of the old asset,
- the proceeds of realisation ([CIRD20060](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20060) (<https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20060>)) are the market value of the asset on its deemed realisation by the transferee under the degrouping rules.

The reacquisition cost of the asset following its deemed realisation is not affected by the reduction of the proceeds as a result of reinvestment relief.

This provision corresponds broadly to the rule allowing CG on degrouping to be rolled over (see CG45418).

See also:

- [CIRD20470 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20470\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20470)- reinvestment relief where taxable credit on degrouping reallocated to another company.
- [CIRD20480 \(https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20480\)](https://www.gov.uk/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20480)- reinvestment relief where CG degrouping rules apply (to goodwill or an intangible asset outside Schedule 29 by virtue of being an existing asset).

← **Previous page**

(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20440)

→ **Next page**

(/hmrc-internal-manuals/corporate-intangibles-research-and-development-manual/cird20470)



**OGI**

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



© Crown copyright