

Apportionment of consideration and exchanges and surrenders of leasehold interests. ITA67 s298; FA96 s132(1) and Sch5 Ptl par1(14) 311.—(1) (a) Any reference in this Part to the sale of any property includes a reference to the sale of that property together with any other property and, where property is sold together with other property, so much of the net proceeds of the sale of the whole property as on a just apportionment is properly attributable to the first-mentioned property shall for the purposes of this Part be deemed to be the net proceeds of the sale of the first-mentioned property, and references to expenditure incurred on the provision or the purchase of property shall be construed accordingly.

(b) For the purposes of this subsection, all the property which is sold in pursuance of one bargain shall be deemed to be sold together, notwithstanding that separate prices are, or purport to be, agreed for separate items of that property or that there are, or purport to be, separate sales of separate items of that property.

(2) Subsection (1) shall, with the necessary modifications, apply in relation to other sale, insurance, salvage or compensation moneys as it applies in relation to the net proceeds of sales.

(3) This Part shall apply as if any reference in this Part to the sale of any property included a reference to the exchange of any property and, in the case of a leasehold interest, also included a reference to the surrender of that interest for valuable consideration, and any provisions of this Part referring to the sales shall apply accordingly with the necessary modifications and in particular with the modifications that references to the net proceeds of sale and to the price shall be taken to include references to the consideration for the exchange or surrender, and references to capital sums included in the price shall be taken to include references to so much of the consideration as would have been a capital sum if the consideration had taken the form of a money payment.

(4) This section shall, with the necessary modifications, apply in relation to Chapter 1 of Part 24 and sections 764 and 765 as if that Chapter and those sections were contained in this Part.