

Valuation of assets. CGTA75 s49(1) to (6); CTA76 s140(2) and Sch2 PtII par7 548.—(1) Subject to this section, in the Capital Gains Tax Acts, “market value”, in relation to any assets, means the price which those assets might reasonably be expected to fetch on a sale in the open market.

(2) In estimating the market value of any assets, no reduction shall be made in the estimate on account of the estimate being made on the assumption that the whole of the assets is to be placed on the market at the same time.

(3) (a) The market value of shares or securities quoted on a stock exchange in the State or in the United Kingdom shall, except where in consequence of special circumstances the prices quoted are by themselves not a proper measure of market value, be as follows—

(i) in relation to shares or securities listed in the Stock Exchange Official List-Irish—

(I) the price shown in that list at which bargains in the shares or securities were last recorded (the previous price), or

(II) where bargains other than bargains done at special prices were recorded in that list for the relevant date, the price at which the bargains were so recorded or, if more than one such price was so recorded, a price halfway between the highest and the lowest of such prices,

taking the amount under clause (I) if less than under clause (II) or if no such business was recorded on the relevant date, and taking the amount under clause (II) if less than under clause (I), and

(ii) in relation to shares or securities listed in the Stock Exchange Daily Official List—

(I) the lower of the 2 prices shown in the quotations for the shares or securities on the relevant date plus 25 per cent of the difference between those 2 figures, or

(II) where bargains other than bargains done at special prices were recorded in that list for the relevant date, the price at which the bargains were so recorded or, if more than one such price was so recorded, a price halfway between the highest and the lowest of such prices,

taking the amount under clause (I) if less than under clause (II) or if no such bargains were recorded for the relevant date, and taking the amount under clause (II) if less than under clause (I).

(b) Notwithstanding paragraph (a)—

(i) where the shares or securities are listed in both of the Official Lists referred to in that paragraph for the relevant date, the lower of the 2 amounts as ascertained under subparagraphs (i) and (ii) of that paragraph shall be taken,

(ii) this subsection shall not apply to shares or securities for which some other stock exchange affords

a more active market, and

(iii) if the stock exchange concerned, or one of the stock exchanges concerned, is closed on the relevant date, the market value shall be ascertained by reference to the latest previous date or earliest subsequent date on which it is open, whichever affords the lower market value.

(4) Where shares and securities are not quoted on a stock exchange at the time at which their market value is to be determined by virtue of subsection (1), it shall be assumed for the purposes of such determination that in the open market which is postulated for the purposes of subsection (1) there is available to any prospective purchaser of the asset in question all the information which a prudent prospective purchaser of the asset might reasonably require if such prospective purchaser were proposing to purchase it from a willing vendor by private treaty and at arm's length.

(5) In the Capital Gains Tax Acts, "market value", in relation to any rights of unit holders in any unit trust (including any unit trust legally established outside the State) the buying and selling prices of which are published regularly by the managers of the trust, means an amount equal to the buying price (that is, the lower price) so published on the relevant date or, if none was published on that date, on the latest date before that date.

(6) If and in so far as any appeal against an assessment to capital gains tax or against a decision on a claim under the Capital Gains Tax Acts involves the question of the value of any shares or securities in a company resident in the State, other than shares or securities quoted on a stock exchange, that question shall be determined in the like manner as an appeal against an assessment made on the company.

(7) Subsection (6) shall apply for the purposes of corporation tax as it applies for the purposes of capital gains tax.