

Charities. CGTA75 s22 609.—(1) Subject to subsection (2), a gain shall not be a chargeable gain if it accrues to a charity and is applicable and applied for charitable purposes.

(2) Where property held on charitable trusts ceases to be subject to charitable trusts—

(a) the trustees shall be treated as if they had disposed of and immediately reacquired the property for a consideration equal to its market value, any gain on the disposal being treated as not accruing to a charity, and

(b) if and in so far as any of that property represents directly or indirectly the consideration for the disposal of assets by the trustees, any gain accruing on that disposal shall be treated as not having accrued to a charity,

and an assessment to capital gains tax chargeable by virtue of paragraph (b) may be made at any time not more than 10 years after the end of the year of assessment in which the property ceases to be subject to charitable trusts.