

Capital gains tax. FA84 s25 506.—(1) The sums allowable as deductions from the consideration in the computation for the purposes of capital gains tax of the gain or loss accruing to an individual on the disposal of shares in respect of which any relief has been given and not withdrawn shall be determined without regard to that relief, except that where those sums exceed the consideration they shall be reduced by an amount equal to the lesser of—

(a) the amount of that relief, and

(b) the excess;

but this subsection shall not apply to a disposal within section 1028 (5).

(2) In relation to shares in respect of which relief has been given and not withdrawn, any question—

(a) as to which of any such shares issued to a person at different times a disposal relates, or

(b) whether a disposal relates to such shares or to other shares,

shall for the purposes of capital gains tax be determined as for the purposes of section 498.

(3) Where an individual holds ordinary shares in a company and the relief has been given in respect of some of the shares but not others, then, if there is a reorganisation ) affecting those shares, section 584 (3) shall apply separately to the shares in respect of which the relief has been given and to the other shares (so that the shares of each kind shall be treated as a separate holding of original shares and identified with a separate new holding).

(4) There shall be made all such adjustments of capital gains tax, whether by means of assessment or by means of discharge or repayment of tax, as may be required in consequence of the relief being given or withdrawn.