

Part disposals before 6th day of April, 1978. CGT(A)A78 s16 and Sch1 par10(1) and (2) 558.—(1) Where on or after the 6th day of April, 1974, but before the 6th day of April, 1978, a person made a disposal to the Capital Gains Tax Act, 1975 , applied) of an asset held by such person on the 6th day of April, 1974, and—

(a) the amount of the chargeable gain which accrued on that disposal was determined under paragraph 18 of Schedule 1 to the Capital Gains Tax Act, 1975 , and

(b) any property derived from that asset remained undisposed of on the 6th day of April, 1978,

then, for the purpose of determining the balance of the expenditure which under section 557 is to be attributed to the property which remains undisposed of, it shall be assumed that on the disposal the amount of the chargeable gain referred to in paragraph (a) had been determined, not under paragraph 18 of Schedule 1 to the Capital Gains Tax Act, 1975 , but on the assumption that the asset was disposed of and immediately reacquired by the person on the 6th day of April, 1974.

(2) Where on or after the 6th day of April, 1974, but before the 6th day of April, 1978, a person made a disposal , applied) of an asset acquired by such person on a death which occurred on or after the 6th day of April, 1974, and—

(a) the amount of the chargeable gain which accrued on that disposal was determined on the basis that the asset had been acquired by such person on a date earlier than the date of that death, and

(b) any property derived from that asset remained undisposed of on the 6th day of April, 1978,

then, notwithstanding subsection (1), for the purpose of determining the balance of the expenditure which under section 557 is to be attributed to the property which remains undisposed of, it shall be assumed that on the disposal the amount of the chargeable gain referred to in paragraph (a) had been determined as if section 14(1) of the Capital Gains Tax Act, 1975 of the Capital Gains Tax (Amendment) Act, 1978 ) or, as the case may be, section 15(4) (b) of the Capital Gains Tax Act, 1975 of the Capital Gains Tax (Amendment) Act, 1978 ) had applied at the date of that disposal.