

Transfers of value derived from assets. CGTA75 s45 543.—(1) Without prejudice to the generality of the provisions of the Capital Gains Tax Acts as to the transactions which are disposals of assets, any transaction which under this section is to be treated as a disposal of an asset—

(a) shall be so treated (with a corresponding acquisition of an interest in the asset) notwithstanding that there is no consideration, and

(b) in so far as, on the assumption that the parties to the transaction were at arm's length, the party making the disposal could have obtained consideration or additional consideration for the disposal, shall be treated as not being at arm's length, and the consideration so obtainable, added to the consideration actually passing, shall be treated as the market value of what is acquired.

(2) (a) Where a person having control of a company exercises that control so that value passes out of shares in the company owned by such person or a person with whom such person is connected, or out of rights over the company exercisable by such person or by a person with whom such person is connected, and passes into other shares in or rights over the company, that exercise of such person's control shall be a disposal of the shares or rights out of which the value passes by the person by whom they were owned or exercisable.

(b) References in paragraph (a) to a person include references to 2 or more persons connected with one another.

(3) Where, after a transaction which results in the owner of land or of any other description of property becoming the lessee of the property, there is any adjustment of the rights and liabilities under the lease (whether or not involving the grant of a new lease) which as a whole is favourable to the lessor, that shall constitute a disposal by the lessee of an interest in the property.

(4) Where an asset is subject to any description of right or restriction, the extinction or abrogation in whole or in part of the right or restriction by the person entitled to enforce it shall constitute a disposal by that person of the right or restriction.