

Wasting chattels. CGTA75 s18 603.—(1) Subject to this section, no chargeable gain shall accrue on the disposal of or of an interest in an asset which is tangible movable property and a wasting asset.

(2) Subsection (1) shall not apply to a disposal of or of an interest in an asset where—

(a) from the beginning of the period of ownership of the person making the disposal to the time when the disposal is made, the asset has been used and used solely for the purposes of a trade or profession and that person has claimed or could have claimed any capital allowance in respect of any expenditure attributable to the asset or interest under paragraph (a) or (b) of section 552 (1), or

(b) the person making the disposal has incurred any expenditure on the asset or interest which has otherwise qualified in full for any capital allowance.

(3) In the case of the disposal of or of an interest in an asset which, in the period of ownership of the person making the disposal, has been used partly for the purposes of a trade or profession and partly for other purposes, or has been used for the purposes of a trade or profession for part of that period, or which has otherwise qualified in part only for capital allowances—

(a) the consideration for the disposal and any expenditure attributable to the asset or interest under paragraph (a) or (b) of section 552(1) shall be apportioned by reference to the extent to which that expenditure qualified for capital allowances,

(b) the computation of the gain shall be made separately in relation to the apportioned parts of the expenditure and consideration, and

(c) subsection (1) shall not apply to any gain accruing by reference to the computation in relation to the part of the consideration apportioned to use for the purposes of the trade or profession, or to the expenditure qualifying for capital allowances.

(4) Subsection (1) shall not apply to a disposal of commodities of any description by a person dealing on a terminal market or dealing with or through a person ordinarily engaged in dealing on a terminal market.