

Amendment	Page	Line
SC 214	117	23

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(Bristol South - Lab)

Amendment 214

Page 117, line 23 [Vol I], leave out Clause 143.

SUMMARY

1. Amendment 214 seeks to remove Clause 143 of the Bill.

DETAILS

2. Clause 143 removes the availability of the relief conferred by section 139 of the Taxation of Chargeable Gains Act where a transaction takes place in connection with a company becoming a UK-REIT. The intention behind the removal of relief was to prevent companies from setting up a UK-REIT without paying tax on disposal of properties and also to prevent UK-REITs from obtaining a special advantage over other companies as buyers of property. However, the restriction as drafted goes further than this in that it puts certain kinds of property companies seeking to convert to UK-REIT status at a disadvantage. The amendment therefore seeks to remove the clause.