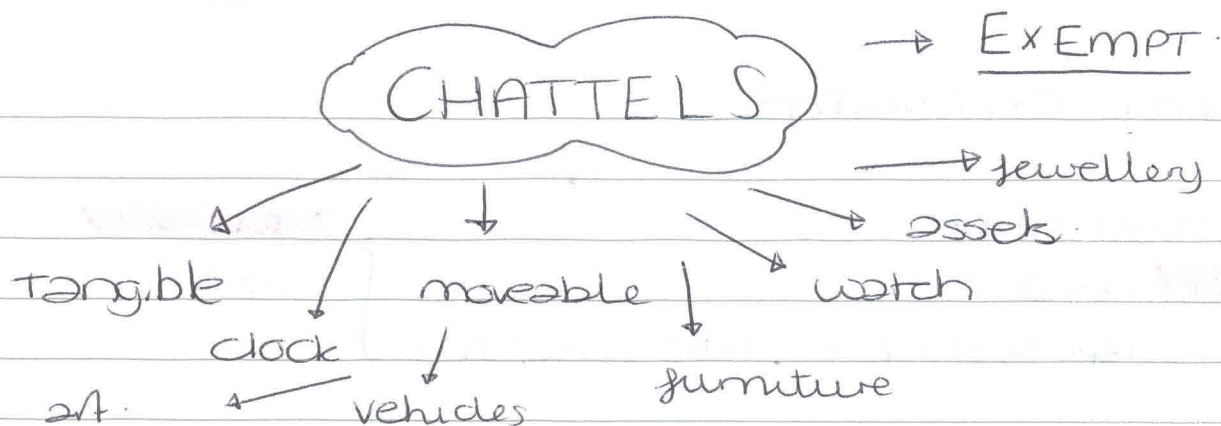




EXEMPT

- ① washing chattels (expected life < 50 years)
- ② CARS
- ③ Chattels bought + sold for £6000 or less.

SO?

↳ chattel sold at a gain for OVER £6000 is chargeable. HOW?

↳ Gain is limited.

5/3 (Proceeds = £6000)

Proceeds = gross proceeds - amount received
(chattel marginal relief).

Chattels sold + bought for less than £6000 = exempt.
Chattels bought for over £6000 and sold at a loss
would be limited by substituting £6000 for the
actual proceeds.

Preview from Notesale.co.uk
page 10 of 17

SHARES → Chargeable asset.

Dilemma



Quantities of the same type of share in the same company are bought and sold.

So, which shares bought are deemed to be the ones sold? → matching rules.

Rules separate computation for each share match.

① shares bought on the same day that disposal occurs are matched.

② shares bought in the 30 days after disposal are matched.

③ Any remaining shares not yet matched are deemed to come from the FIFO 1985 pool.

↓
used to calculate the cost of shares acquired before the disposal date.

NO of shares	Actual costs
- First purchase	" "
" "	" "
" "	" "
" "	" "
<u>TOTAL</u>	<u>TOTAL</u>

Less disposal $\times$ % to give proportion
Balance after disposal

Preview from Notesale.co.uk
 Page 11 of 17