

## **Interpretation and general including interaction with other taxes (S.544)**

### **ITCGTCT Manual – Part 19-02-01**

Document last reviewed March 2017

- 1.1** In general, the disposal of an asset at a profit or gain gives rise to a tax liability. The disposal of an asset which is not normally regarded as stock-in-trade may be an adventure in the nature of trade, in which case the profit or gain is assessable to Income Tax. Moreover, a sum received in respect of such an asset, otherwise than by reference to its complete disposal, may also be liable to tax as income. Any such charge to Income Tax precludes a charge to Capital Gains Tax in respect of that receipt (to the extent that it is so covered), but there may be a residual liability to Capital Gains Tax on any part of the receipt not so charged.

Similarly, any expenditure which is or in some circumstances might be allowable in the computation of an Income Tax liability or notional liability is not allowable expenditure for Capital Gains Tax purposes.

- 1.2** See T.I. Parts [19.2.2](#) to [19.2.4](#) for related issues.