

[19.7.10] Miscellaneous exemptions for certain kinds of property (S.613)

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A more recent version of this manual is available.

- 10.1** Exemption is granted to all issues of Savings Certificates, to any bonus payable under an instalment saving scheme within the meaning of Section 53 of the Finance Act, 1970 and to all Prize Bonds winnings.
- 10.2** Winnings from betting (including pool betting or lotteries or games with prizes) are not chargeable gains, and rights to winnings obtained by participating in any pool betting or lottery or game with prizes are not chargeable assets.
- 10.3** Sums obtained by way of compensation or damages for any wrong or injury suffered by an individual, e.g. physical injury, libel or slander (whether in respect of personal or professional reputation) etc., are not chargeable to Capital Gains Tax.
- 10.4** No chargeable gain accrues in respect of an annuity (except a deferred annuity in certain circumstances) granted by a life assurance company.
- As regards the treatment of:-
- (a) deferred annuities see **Tax Instruction [Part 19.5.1](#) Par. 1;**
 - (b) annuities payable out of superannuation funds (see **Tax Instruction [Part 19.7.5](#) Par. 2** et. seq.).
- 10.5** The right to annual payments under a deed of covenant (which are not secured on property) is not a chargeable asset.
- 10.6** For the purpose of relief under **Section 613(3)(a)**, the term "any allowance annuity or capital sum payable out of any superannuation fund" should be taken as including -
- (a) sickness, death and retirement benefits from trade union funds where these are contractual;
 - (b) payments from friendly societies where there is no policy of assurance; and
 - (c) payments under death benefit schemes which take the form of term life assurance up to the date of retirement.
- 10.7** Benefits arising under a trust fund for self-employed persons, established under **Section 784(4)**, normally take the form of non-commutable retirement annuities payable either to the person who took them out or in certain cases to his widow. If no annuity becomes payable, the benefits may instead take the form of a return of premiums, with interest, to the personal representatives. The gain accruing on the return of such premiums is exempt.

- 10.8** No chargeable gain accrues on the commutation of a pension after retirement.
- 10.9** No chargeable gain accrues on the receipt of compensation under the Cessation of Turf Cutting Compensation Scheme or the Protected Raised Bog Restoration Incentive Scheme administered by the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs. **The original exemption, which was introduced in the Finance Act 2012, was extended to the Protected Raised Bog Restoration Incentive Scheme by Section 30 Finance Act 2016.**