

## Miscellaneous exemptions for certain kinds of property

### Part 19-07-10

This document should be read in conjunction with section 613 Taxes Consolidation Act 1997

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## Introduction

**Section 613 of the Taxes Consolidation Act 1997 (“TCA 1997”)** provides that the following miscellaneous exemptions for certain kind of property are not chargeable gains.

### 10.1 Savings Certificates and Prize Bonds

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 and lotteries

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 Personal injury and libel or slander claims

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 Annuities

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 and Duty Manual \(TDM\) Part 19-05-01](#);
- (b) annuities payable out of superannuation funds (see [TDM Part 19-07-05](#)).

## 10.5 Deed of covenant

The right to annual payments under a deed of covenant (which are not secured on property) is not a chargeable asset.

## 10.6 Sums payable out of a superannuation fund

For the purpose of relief under **section 613(3)(a) TCA 1997**, 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 Trust fund for self-employed persons

Benefits arising under a trust fund for self-employed persons, established under **section 784(4) TCA 1997**, normally take the form of non-commutable retirement annuities payable either to the person who took them out or in certain cases to their surviving spouse/civil partner. 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 Commutation of a pension after retirement

No chargeable gain accrues on the commutation of a pension after retirement.

## 10.9 Turf Cutting Compensation Scheme

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**. In addition, **section 32 Finance Act 2017** granted an exemption in respect of any sum obtained by means of compensation under the 2017 Voluntary Homeowners Relocation Scheme administered by the Commissioners of Public Works in Ireland under **section 2 of the Commissioners of**

**Public Works (Functions and Powers) Act 1996** and any gain arising on the disposal of land (including a right of turbary) to the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs, where that land was acquired by that Minister for the purpose of granting a right of turbary to an individual who –

- is entitled to compensation under the Cessation of Turf Cutting Compensation Scheme or the Protected Raised Bog Restoration Incentive Scheme, and
- enters into an agreement with the Minister in respect of that land or any estate, right or interest in or over that land.

**Note: This manual is currently subject to review and may not reflect up-to-date position.**

**Most recent version.**