
Changes to legislation: There are currently no known outstanding effects for the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, Paragraph 10. (See end of Document for details)

SCHEDULE 16

GROUP RELIEF

PART 4

WITHDRAWAL OF RELIEF

Group relief not withdrawn where seller leaves group

- 10 (1) Group relief is not withdrawn under paragraph 8 where the buyer ceases to be a member of the same group as the seller because the seller leaves the group.
- (2) The seller is regarded as leaving the group if the companies cease to be members of the same group by reason of a transaction relating to shares in—
- (a) the seller, or
 - (b) another company that—
 - (i) is above the seller in the group structure, and
 - (ii) as a result of the transaction ceases to be a member of the same group as the buyer.
- (3) For the purpose of sub-paragraph (2), a company is ““above”” the seller in the group structure if the seller, or another company that is above the seller in the group structure, is a 75% subsidiary of the company.
- (4) But if there is a change in the control of the buyer after the seller leaves the group, paragraphs 8, 9(4) and (6), 13 and 14 have effect as if the buyer had then ceased to be a member of the same group as the seller (but see sub-paragraph (7)).
- (5) For the purposes of this paragraph, there is a change in the control of the buyer if—
- (a) a person who controls the buyer (alone or with others) ceases to do so,
 - (b) a person obtains control of the buyer (alone or with others), or
 - (c) the buyer is wound up.
- (6) For the purposes of sub-paragraph (5), a person (““P””) does not control, or obtain control of, the buyer if P is under the control of another person or other persons.
- (7) Sub-paragraph (4) does not apply where—
- (a) there is a change in the control of the buyer because a loan creditor (within the meaning given by section 453 of the Corporation Tax Act 2010 (c. 4)) obtains control of, or ceases to control, the buyer, and
 - (b) the other persons who controlled the buyer before that change continue to do so.
- (8) In this paragraph, references to ““control”” are to be interpreted in accordance with sections 450 and 451 of the Corporation Tax Act 2010 (c. 4) (subject to sub-paragraph (6)).

Commencement Information

II Sch. 16 para. 10 in force at 1.4.2018 by S.I. 2018/34, art. 3

Changes to legislation:

There are currently no known outstanding effects for the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017, Paragraph 10.