



# Income and Corporation Taxes Act 1988

## 1988 CHAPTER 1

### PART XVII

#### TAX AVOIDANCE

### CHAPTER II

#### TRANSFERS OF SECURITIES

*Transfers with or without accrued interest: introductory*

#### **710 Meaning of “securities”, “transfer” etc. for purposes of sections 711 to 728.**

**F1** .....

##### **Textual Amendments**

**F1** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

#### **711 Meaning of “interest”, “transfers with or without accrued interest” etc.**

**F2** .....

##### **Textual Amendments**

**F2** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

*Changes to legislation:* Income and Corporation Taxes Act 1988, CHAPTER II is up to date with all changes known to be in force on or before 04 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

**712 Meaning of “settlement day” for purposes of sections 711 to 728.**

F3 .....

**Textual Amendments**

**F3** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

*Transfers with or without accrued interest: charge to tax and reliefs*

**713 Deemed sums and reliefs.**

F4 .....

**Textual Amendments**

**F4** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

**714 Treatment of deemed sums and reliefs.**

F5 .....

**Textual Amendments**

**F5** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

**715 Exceptions from sections 713 and 714**

F6 .....

**Textual Amendments**

**F6** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

**716 Transfer of unrealised interest.**

F7 .....

**Textual Amendments**

**F7** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

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## 717 Variable interest rate.

F8 .....

### Textual Amendments

**F8** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

## 718 Interest in default.

F9 .....

### Textual Amendments

**F9** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

## 719 Unrealised interest in default

F10 .....

### Textual Amendments

**F10** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

*Transfers with or without accrued interest: supplemental*

## 720 Nominees, trustees etc.

F11 .....

### Textual Amendments

**F11** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

## 721 Death.

F12 .....

### Textual Amendments

**F12** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

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**722 Trading stock.**

F13 .....

**Textual Amendments**

F13 Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, Sch. 3 Pt. 1 (with Sch. 2)

[<sup>F14</sup>722A Gilt strips: deemed transfer.

F15 .....]

**Textual Amendments**

F14 S. 722A inserted (29.4.1996) by Finance Act 1996 (c. 8), Sch. 40 para. 6  
F15 Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, Sch. 3 Pt. 1 (with Sch. 2)

**723 Foreign securities: delayed remittances**

F16 .....

**Textual Amendments**

F16 Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, Sch. 3 Pt. 1 (with Sch. 2)

**724 Insurance companies.**

F17 .....

**Textual Amendments**

F17 S. 724 repealed (with effect in accordance with s. 105(1) of the repealing Act) by Finance Act 1996 (c. 8), Sch. 41 Pt. 5(3), Note

<sup>F18</sup>725 .....

**Textual Amendments**

F18 S. 725 repealed (27.7.1993 with effect for the year 1992-93 and subsequent years of assessment) by 1993 c. 34, s. 213, Sch. 23 Pt. III(12) Note 5

<sup>F19</sup>726 .....

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**Textual Amendments**

- F19** S. 726 repealed (for the year 1991-92 and subsequent years of assessment) by Finance Act 1991 (c. 31, SIF 63:1), s. 123, **Sch. 19 Pt. V**, Note 6

[<sup>F20</sup>**726A**New issues of securities.

<sup>F21</sup> .....

**Textual Amendments**

- F20** S. 726A inserted by Finance Act 1991 (c. 31, SIF 63:1), s. 54, **Sch. 12 paras. 2, 5**  
**F21** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

**727** **Stock lending.**

<sup>F22</sup> .....

**Textual Amendments**

- F22** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F23</sup>**727A**Exception for sale and repurchase of securities.

<sup>F24</sup> .....

**Textual Amendments**

- F23** S. 727A inserted (with effect in accordance with s. 79(3) of the amending Act) by Finance Act 1995 (c. 4), s. 79(1) (with s. 79(4))  
**F24** Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with Sch. 2)

**728** **Information.**

<sup>F25</sup> .....

**Textual Amendments**

- F25** S. 728 omitted (13.8.2009) by virtue of The Finance Act 2009, Schedule 47 (Consequential Amendments) Order 2009 (S.I. 2009/2035), art. 1, Sch. para. 20

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### *Other transfers of securities*

#### **729 Sale and repurchase of securities.**

F26 .....

##### **Textual Amendments**

**F26** S. 729 repealed (with effect in accordance with s. 159(1)(10) of the repealing Act) by [Finance Act 1996 \(c. 8\), s. 159\(1\), Sch. 41 Pt. 5\(21\)](#), Note; [S.I. 1996/2646, art. 2](#)

#### **730 [<sup>F27</sup>Transfers of rights to receive distributions in respect of shares]**

F28 .....

##### **Textual Amendments**

**F27** S. 730 heading substituted (with effect in accordance with [Sch. 7 para. 2\(13\)](#) of the amending Act) by virtue of [Finance \(No. 2\) Act 2005 \(c. 22\), Sch. 7 para. 2\(12\)](#)

**F28** S. 730 omitted (with effect in accordance with [Sch. 25 para. 10](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 25 para. 9\(1\)\(a\)](#)

#### **[<sup>F29</sup>730A Treatment of price differential on sale and repurchase of securities.**

F30 .....

##### **Textual Amendments**

**F29** Ss. 730A, 730B inserted (with effect in accordance with [s. 80\(5\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 80\(1\)](#)

**F30** Ss. 730A, 730B repealed (with effect in accordance with [S.I. 2007/2483, art. 3](#)) by [Finance Act 2007 \(c. 11\), s. 47\(4\), Sch. 14 para. 4, Sch. 27 Pt. 2\(14\)](#), Note

#### **730B Interpretation of section 730A.**

F31 .....]

##### **Textual Amendments**

**F29** Ss. 730A, 730B inserted (with effect in accordance with [s. 80\(5\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 80\(1\)](#)

**F31** Ss. 730A, 730B repealed (with effect in accordance with [S.I. 2007/2483, art. 3](#)) by [Finance Act 2007 \(c. 11\), s. 47\(4\), Sch. 14 para. 4, Sch. 27 Pt. 2\(14\)](#), Note

#### **[<sup>F32</sup>730B Exchange gains and losses on sale and repurchase of securities**

F33 .....]

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**Textual Amendments**

- F32** S. 730BB inserted (with effect in accordance with Sch. 38 para. 21(2) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 38 para. 12**
- F33** S. 730BB repealed (with effect in accordance with S.I. 2007/2483, **art. 3**) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 5, **Sch. 27 Pt. 2(14)**, Note

[<sup>F34</sup>**730C Exchanges of gilts: traders etc.**

<sup>F35</sup> .....

**Textual Amendments**

- F34** S. 730C inserted (29.4.1996) by Finance Act 1996 (c. 8), **Sch. 40 para. 7**
- F35** S. 730C repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 301, **Sch. 3** (with Sch. 2)

*Purchase and sale of securities*

**731 Application and interpretation of sections 732 to 734.**

<sup>F36</sup> .....

**Textual Amendments**

- F36** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **s. 66(1)(c)** (subject to modification to s. 731 by Corporation Tax Act 2009 (c. 4), **Sch. 2 para. 144**)

**732 Dealers in securities.**

<sup>F37</sup> .....

**Textual Amendments**

- F37** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **s. 66(1)(c)**

**733 Persons entitled to exemptions.**

<sup>F38</sup> .....

**Textual Amendments**

- F38** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **s. 66(1)(c)**

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### 734 Persons other than dealers in securities.

F39 .....

#### Textual Amendments

**F39** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 66(1)(c)

### 735 Meaning of “appropriate amount in respect of” interest.

F40 .....

#### Textual Amendments

**F40** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 66(1)(c)

#### *Miscellaneous provisions relating to securities*

### 736 Company dealing in securities: distribution materially reducing value of holding.

F41 .....

#### Textual Amendments

**F41** S. 736 omitted (with effect in accordance with s. 66(7) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 66(1)(d)

### [<sup>F42</sup>736A Manufactured dividends and interest.

F43 .....]

#### Textual Amendments

**F42** S. 736A inserted by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), s. 58(1) (with effect as mentioned in s. 58(3) in relation to payments made on or after such day as may be specified: 26.2.1992 specified for certain purposes by [S.I. 1992/173](#), [reg. 2\(a\)](#); 30.6.1992 specified for certain purposes by [S.I. 1992/1346](#), [regs. 2, 3, 4](#); 21.4.1993 specified for certain purposes by [S.I. 1993/933](#), [regs. 2, 3\(a\), 4\(1\)](#))

**F43** S. 736A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 95](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F44</sup>736B Deemed manufactured payments in the case of stock lending arrangements.

F45 .....]



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#### Textual Amendments

- F44** S. 736B inserted (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by Finance Act 1997 (c. 16), **Sch. 10 para. 3**; S.I. 1997/991, **art. 2**
- F45** S. 736B repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 96, **Sch. 3 Pt. 1** (with Sch. 2)

### [<sup>F46</sup>736C Deemed interest: cash collateral under stock lending arrangements

<sup>F47</sup> .....

#### Textual Amendments

- F46** S. 736C inserted (with effect in accordance with Sch. 6 para. 3(2)-(4) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 6 para. 3(1)**
- F47** S. 736C omitted (22.4.2009) by virtue of Finance Act 2009 (c. 10), Sch. 24 paras. 8(a)(i), **12** (with Sch. 24 paras. 13-16)

### [<sup>F48</sup>736D Quasi-stock lending arrangements and quasi-cash collateral

<sup>F49</sup> .....

#### Textual Amendments

- F48** S. 736D inserted (with effect in accordance with Sch. 6 para. 4(4) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 6 para. 4(3)**
- F49** S. 736D omitted (22.4.2009) by virtue of Finance Act 2009 (c. 10), Sch. 24 paras. 8(a)(ii), **12** (with Sch. 24 paras. 13-16)

### 737 Manufactured dividends: treatment of tax deducted.

<sup>F50</sup> .....

#### Textual Amendments

- F50** S. 737 repealed (with effect in accordance with Sch. 10 para. 16(1), Sch. 18 Pt. 6(10) Notes 3, 6 of the repealing Act) by Finance Act 1997 (c. 16), Sch. 10 para. 8, **Sch. 18 Pt. 6(10)** (with Sch. 10 para. 16(3)); S.I. 1997/991, **art. 2**

### [<sup>F51</sup>737A Sale and repurchase of securities: deemed manufactured payments.

<sup>F52</sup> .....

#### Textual Amendments

- F51** Ss. 737A-737C inserted (3.5.1994) by Finance Act 1994 (c. 9), **s. 122**
- F52** Ss. 737A-737C repealed (with effect in accordance with S.I. 2007/2483, **art. 3**) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 7, **Sch. 27 Pt. 2(14)**, Note

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### 737B Interpretation of section 737A.

F53 .....

#### Textual Amendments

- F51** Ss. 737A-737C inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 122  
**F53** Ss. 737A-737C repealed (with effect in accordance with S.I. 2007/2483, art. 3) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 7, Sch. 27 Pt. 2(14), Note

### 737C Deemed manufactured payments: further provisions.

F54 .....]

#### Textual Amendments

- F51** Ss. 737A-737C inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 122  
**F54** Ss. 737A-737C repealed (with effect in accordance with S.I. 2007/2483, art. 3) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 7, Sch. 27 Pt. 2(14), Note

### *Supplemental*

### [<sup>F55</sup>737D Power to provide for manufactured payments to be eligible for relief.

F56 .....

#### Textual Amendments

- F55** Ss. 737D, 737E inserted (1.5.1995) by Finance Act 1995 (c. 4), s. 83(1)  
**F56** S. 737D omitted (21.7.2008) by virtue of Finance Act 2008 (c. 9), Sch. 17 para. 35(1)

### 737E [<sup>F57</sup>Power to modify sections <sup>F58</sup>... 730A, 730BB and 737A to 737C]

F59 .....

#### Textual Amendments

- F55** Ss. 737D, 737E inserted (1.5.1995) by Finance Act 1995 (c. 4), s. 83(1)  
**F57** S. 737E sidenote substituted (with effect in accordance with Sch. 38 para. 21(2) of the amending Act) by virtue of Finance Act 2003 (c. 14), Sch. 38 para. 13(4)  
**F58** Words in s. 737E sidenote repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 176(4), Sch. 3 Pt. 1 (with Sch. 2)  
**F59** S. 737E repealed (with effect in accordance with S.I. 2007/2483, art. 3) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 8, Sch. 27 Pt. 2(14), Note

### 738 Power to amend sections 732, 735 and 737.

F60 .....

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**Textual Amendments**

**F60** S. 738 omitted (with effect in accordance with s. 66(6)-(8) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\), s. 66\(4\)\(a\)](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act Tax Acts: power to modify conferred by [2004 c. 25 s. 18](#)
- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to legislation.gov.uk. S.I. 2010/875 was revoked (27.8.2010) by SI 2010/1906, reg. 2 without having come into force)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 109A(4B) inserted by [2005 c. 7 Sch. 4 para. 6\(3\)](#) (This amendment not applied to legislation.gov.uk. The amending provision (2005 c. 7, Sch. 4 para. 6) repealed retrospectively by 2005 c. 22, Sch. 6 para. 4(1)(6))
- Sch. 19AB para. 5(5)(a)(b) words substituted by [S.I. 2001/3629 art. 52\(2\)\(n\)](#) (This amendment not applied to legislation.gov.uk. The words to be substituted do not occur in Sch. 19AB para. 5)