

*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2005, SCHEDULE 6. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 6 U.K.

Section 37

#### ACCOUNTING PRACTICE AND RELATED MATTERS

##### *Adjustment on change of accounting basis*

F1<sub>1</sub> .....

##### Textual Amendments

- F1 Sch. 6 para. 1 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

F2<sub>2</sub> .....

##### Textual Amendments

- F2 [Sch. 6 para. 2](#) omitted (with effect in accordance with s. 54(5)(6) of the amending Act) by virtue of [Finance Act 2012 \(c. 14\)](#), s. [54\(4\)](#)

##### *Meaning of “statutory insolvency arrangement”*

- 3 (1) For section 259 of ITTOIA 2005 (trading income: meaning of “statutory insolvency arrangement”) substitute—

##### “259 Meaning of “statutory insolvency arrangement”

In this Part “statutory insolvency arrangement” means—

- (a) a voluntary arrangement that has taken effect under or as a result of the Insolvency Act 1986, Schedule 4 or 5 to the Bankruptcy (Scotland) Act 1985 or the Insolvency (Northern Ireland) Order 1989,
- (b) a compromise or arrangement that has taken effect under section 425 of the Companies Act 1985 or Article 418 of the Companies (Northern Ireland) Order 1986, or
- (c) any arrangement or compromise of a kind corresponding to any of those mentioned in paragraph (a) or (b) that has taken effect under or by virtue of the law of a country or territory outside the United Kingdom.”.

- (2) This amendment has effect for the tax year 2005-06 and subsequent tax years in relation to periods of account beginning on or after 1st January 2005.

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*Minor corrections*

F34 .....

**Textual Amendments**  
F3 Sch. 6 paras. 4-6 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Deemed release of liability on impaired debt becoming held by connected company*

F35 .....

**Textual Amendments**  
F3 Sch. 6 paras. 4-6 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Adjustment on change to international accounting standards: bad debt debits formerly disallowed*

F36 .....

**Textual Amendments**  
F3 Sch. 6 paras. 4-6 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Loan relationships with embedded derivatives*

F47 .....

**Textual Amendments**  
F4 Sch. 6 para. 7 repealed (1.4.2009, with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 673(a), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2, Pt. 8 para. 64)

- 8 (1) In section 116(8A) of TCGA 1992 (reorganisations, conversions and reconstructions: application of loan relationships regime in certain cases)—
  - (a) after “shall have effect” insert “, subject to subsection (8B) below, ”, and
  - (b) for “that subsection” substitute “ subsection (6) above ”.
- (2) After that subsection insert—
  - “(8B) Subsection (8A) above does not apply where the relevant transaction is a conversion of securities occurring in consequence of the operation of the terms of any security or of any debenture which is not a security.

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Expressions used in this subsection have the same meaning as they have for the purposes of section 132.”

- (3) These amendments have effect in relation to transactions occurring after 26th May 2005.

*Exchange gains and losses*

F59 .....

**Textual Amendments**

- F5** Sch. 6 para. 9 repealed (1.4.2009, with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 673(b), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2, Pt. 8 para. 64)

F610 .....

**Textual Amendments**

- F6** Sch. 6 para. 10 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

F711 .....

**Textual Amendments**

- F7** Sch. 6 para. 11 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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