

SCHEDULES

SCHEDULE 5

AVOIDANCE INVOLVING FINANCIAL ARRANGEMENTS

Shares treated as loan relationships

- 13 (1) Section 91B of FA 1996 (non-qualifying shares) is amended as follows.
- (2) In subsection (4) (debts in respect of certain transactions to be ignored), for “no debits are to be brought into account” substitute “in determining those debits and credits there are to be left out of account amounts”.
- (3) Insert at the end—
- “(8) In this section “share” does not include a share in a building society.”
- (4) The amendment made by sub-paragraph (2) has effect in relation to accounting periods ending on or after 6th March 2007.
- (5) But, in relation to accounting periods beginning before that date, amounts are to be left out of account as a result of that amendment only if they relate to any time on or after that date.
- (6) The amendment made by sub-paragraph (3) has effect in relation to shares held on or after 6th March 2007.