

## SCHEDULES

### SCHEDULE 2

#### TRANSITIONALS AND SAVINGS

#### PART 9

#### OTHER RELIEFS

##### *Interest: loans for interests in close companies*

- 91 Section 392(3)(a) does not apply if the shares were acquired before 14 March 1989.
- 92 Section 392(3)(b) does not apply if the shares were acquired before 6 April 1989.
- 93 (1) In relation to a loan made before 14 November 1986—
- (a) section 395(1)(c) applies with the substitution for “the trustees of” of “any person (other than the individual) interested in”, and
  - (b) section 395(1)(d) applies with the substitution for “the personal representatives” of “any person (other than the individual) interested in the estate”.
- (2) No individual is an associate because of sub-paragraph (1)(a) if the trust relates exclusively to a registered pension scheme.
- (3) No individual is an associate because of sub-paragraph (1)(a) if —
- (a) the trust—
    - (i) is exclusively for the benefit of the employees, or the employees and directors, of the company or their dependants, and
    - (ii) is not wholly or mainly for the benefit of the directors or their relatives, and
  - (b) the individual—
    - (i) is not (either alone or with relatives) the beneficial owner of more than 5% of the company’s ordinary share capital, and
    - (ii) could not become so as a result of the operation of the trust.
- (4) For the purposes of sub-paragraph (3)(b), charitable trusts that may arise on the failure or determination of other trusts are ignored.
- (5) In relation to any time before 6 April 2006, sub-paragraph (2) applies as if the reference to a registered pension scheme were a reference to an exempt approved scheme, as defined in section 592 of ICTA.
- 94 Section 395(2) does not apply in relation to a loan made before 26 July 1989, and, for the purposes of that section, section 550 of ITEPA 2003 (which defines “employee benefit trust” and is applied for the purposes of section 395 by section 395(6)) has effect as if section 550 of ITEPA 2003 referred to that day instead of 13 March 1989.

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*Status: This is the original version (as it was originally enacted).*

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*Interest: loans for interests in employee-controlled companies*

- 95 (1) In relation to a loan used before 6 April 1990 in one or more of the ways specified in section 396(2)—
- (a) section 396 applies as if—
    - (i) the reference in subsection (3) to full-time employees included a reference to full-time employees' spouses,
    - (ii) the references in subsection (4) to an individual included a reference to an individual's spouse, unless the individual and the individual's spouse are both full-time employees of the company within the meaning of section 396(5), and
  - (b) section 397(4) applies as if references to the individual included references to the individual's spouse.
- (2) If a loan within section 396(2)(b) was made on or after that date, interest on the loan is eligible for relief under section 383 only if interest on the original loan would have been allowable under section 353 of ICTA after that date.

*Interest relief: film partnerships*

- 96 Section 399(4) (restriction on relief for interest on loans for purchasing interest in some film partnerships) only applies if the interest accrued on or after 10 March 2006.

*Interest: loans for investing in co-operatives*

- 97 Section 401 applies in relation to a loan used in one or more of the ways specified in subsection (2)(a) or (b) of that section only if the loan was made after 10 March 1981, but subsection (2)(c) of that section applies whenever the original loan was made.

*Gift aid: gifts of money for relief in poor countries*

- 98 Despite the amendments made by this Act to section 25 of FA 1990, that section continues to apply for the purposes of section 48 of FA 1998 (gifts of money for relief in poor countries) as if those amendments had not been made.

*Gift aid: restrictions on associated benefits*

- 99 (1) This paragraph applies if—
- (a) a gift is made on or after 6 April 2007, and
  - (b) a benefit associated with the gift is received before that date or relates (wholly or partly) to a period falling before that date.
- (2) Step 2 of the calculation in section 419(8) is to be read as if the words “(and neither condition C nor condition D is met in relation to it)” were omitted.

*Gift aid: election to carry back relief*

- 100 (1) This paragraph applies if in the tax year 2007-08 an individual makes a gift to a charity that is a qualifying donation for the purposes of Chapter 2 of Part 8.
- (2) Section 426 has effect with the substitution for subsections (2) and (3) of—

“(2) The condition is that in year P the grossed up amount of the gift would, if made in year P, be payable out of profits or gains brought into charge to income tax or capital gains tax.

(3) If an election is made, section 25(6) to (9A) of FA 1990 have effect in relation to the individual as if the gift were a qualifying donation (within the meaning of section 25 of FA 1990) made in year P.”

(3) Section 426 has effect with the omission of subsections (4) and (5).

*Qualifying maintenance payments: maintenance assessments*

101 (1) This paragraph applies for the purposes for which, on the day on which this Act comes into force, the amendments to section 347B of ICTA made by paragraph 8(1) and (2) of Schedule 3 to the Child Support, Pensions and Social Security Act 2000 (c. 19) (maintenance assessments superseded by maintenance calculations) do not have effect.

(2) Until a day is appointed for any of those purposes under this paragraph, section 454 and 455 have effect for that purpose as if—

- (a) in section 454(7) and section 455(1)(a), (b), (c) and (3) for “calculation” there were substituted “assessment”, and
- (b) for section 454(8) there were substituted—

“(8) In this section “maintenance assessment” means a maintenance assessment made under the Child Support Act 1991 or the Child Support (Northern Ireland) Order 1991.”

(3) The power to appoint a day under this paragraph is exercisable by the Secretary of State by order made by statutory instrument and different days may be appointed for different purposes (including different days for different areas).