



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 24

#### CORPORATION TAX ACTS DEFINITIONS ETC

### CHAPTER 1

#### DEFINITIONS

#### **1122 “Connected” persons**

- (1) This section has effect for the purposes of the provisions of the Corporation Tax Acts which apply this section (or to which this section is applied).
- (2) A company is connected with another company if—
  - (a) the same person has control of both companies,
  - (b) a person (“A”) has control of one company and persons connected with A have control of the other company,
  - (c) A has control of one company and A together with persons connected with A have control of the other company, or
  - (d) a group of two or more persons has control of both companies and the groups either consist of the same persons or could be so regarded if (in one or more cases) a member of either group were replaced by a person with whom the member is connected.
- (3) A company is connected with another person (“A”) if—
  - (a) A has control of the company, or
  - (b) A together with persons connected with A have control of the company.
- (4) In relation to a company, any two or more persons acting together to secure or exercise control of the company are connected with—
  - (a) one another, and

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- (b) any person acting on the directions of any of them to secure or exercise control of the company.
- (5) An individual (“A”) is connected with another individual (“B”) if—
- (a) A is B's spouse or civil partner,
  - (b) A is a relative of B,
  - (c) A is the spouse or civil partner of a relative of B,
  - (d) A is a relative of B's spouse or civil partner, or
  - (e) A is the spouse or civil partner of a relative of B's spouse or civil partner.
- (6) A person, in the capacity as trustee of a settlement, is connected with—
- (a) any individual who is a settlor in relation to the settlement,
  - (b) any person connected with such an individual,
  - (c) any close company whose participators include the trustees of the settlement,
  - (d) any non-UK resident company which, if it were UK resident, would be a close company whose participators include the trustees of the settlement,
  - (e) any body corporate controlled (within the meaning of section 1124) by a company within paragraph (c) or (d),
  - (f) if the settlement is the principal settlement in relation to one or more sub-fund settlements, a person in the capacity as trustee of such a sub-fund settlement, and
  - (g) if the settlement is a sub-fund settlement in relation to a principal settlement, a person in the capacity as trustee of any other sub-fund settlements in relation to the principal settlement.
- (7) A person who is a partner in a partnership is connected with—
- (a) any partner in the partnership,
  - (b) the spouse or civil partner of any individual who is a partner in the partnership, and
  - (c) a relative of any individual who is a partner in the partnership.
- (8) But subsection (7) does not apply in relation to acquisitions or disposals of assets of the partnership pursuant to genuine commercial arrangements.

**Modifications etc. (not altering text)**

- C1** S. 1122 applied (27.7.2010) by [Finance \(No. 2\) Act 2010 \(c. 31\)](#), [Sch. 2 para. 8](#)
- C2** [S. 1122](#) applied by [2003 c. 14](#), [Sch. 6B para. 6\(8\)](#) (as inserted (with effect in accordance with [Sch. 22 para. 9](#) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 22 para. 3](#))
- C3** S. 1122 applied (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Investment Trust \(Approved Company\) \(Tax\) Regulations 2011 \(S.I. 2011/2999\)](#), regs. 1(1), [34\(3\)\(b\)](#)
- C4** [S. 1122](#) applied by [1981 c. 63](#), [Sch. 4B para. 8\(6\)](#) (as inserted (with effect in accordance with [Sch. 25 para. 12](#) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 25 para. 9](#))
- C5** S. 1122 applied by [2000 c. 17](#), [Sch. 6 para. 42B\(7\)](#) (as inserted (with effect in accordance with [Sch. 32 para. 19](#) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 32 para. 15](#))
- C6** S. 1122 applied by [1981 c. 63](#), [Sch. 1A para. 8\(6\)](#) (as inserted (with effect in accordance with [Sch. 25 para. 12](#) of the amending Act) by [Finance Act 2012 \(c. 14\)](#), [Sch. 25 para. 7](#))
- C7** S. 1122 applied by [1994 c. 23](#), [Sch. 9 Pt. 2 Note \(19\)](#) (as inserted (1.10.2012) by [Finance Act 2012 \(c. 14\)](#), [Sch. 26 paras. 5\(6\), 7\(1\)](#))

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- C8** S. 1122 applied by S.I. 2005/1868 reg. 1(3) (as substituted (1.11.2012) by [The Stamp Duty Land Tax Avoidance Schemes \(Prescribed Descriptions of Arrangements\) \(Amendment\) Regulations 2012 \(S.I. 2012/2395\)](#), regs. 1(1), 4)
- C9** S. 1122 applied by 2000 c. 17, Sch. 6 paras. 42C(7), 152B(5) (as inserted (retrospective to 26.3.2013) by [Finance Act 2013 \(c. 29\)](#), [Sch. 42 paras. 14](#), 19, 21)
- C10** S. 1122 applied by 2003 c. 14, Sch. 2A para. 20 (as inserted (with effect in accordance with Sch. 39 para. 11 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 39 para. 3](#))
- C11** S. 1122 applied (with modifications) (17.7.2013) by [Finance Act 2013 \(c. 29\)](#), [ss. 136\(6\)](#), 172
- C12** S. 1122 applied (with modifications) by 2003 c. 14, Sch. 4A para. 5A(10) (as inserted (with effect in accordance with Sch. 40 para. 8 of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 40 para. 2\(4\)](#))
- C13** S. 1122 applied (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Investment Transactions \(Tax\) Regulations 2014 \(S.I. 2014/685\)](#), regs. 1(1), [3\(5\)\(b\)](#)
- C14** S. 1122 applied (S.) (1.4.2015) by [Land and Buildings Transaction Tax \(Scotland\) Act 2013 \(asp 11\)](#), [ss. 58](#), [70\(2\)](#) (with s. 69); S.S.I. 2015/108, art. 2
- C15** S. 1122 modified (S.) (1.4.2015) by [Land and Buildings Transaction Tax \(Scotland\) Act 2013 \(asp 11\)](#), s. [70\(2\)](#), [Sch. 17 para. 49](#) (with s. 69); S.S.I. 2015/108, art. 2
- C16** S. 1122 applied (with modifications) (18.11.2015) by [Corporation Tax Act 2009 \(c. 4\)](#), [s. 133D\(5\)\(6\)](#) (as inserted (with effect in accordance with [s. 18\(2\)](#) of the amending Act) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), s. [18\(1\)](#))
- C17** S. 1122 applied (with modifications) by 2003 c. 14, Sch. 7A paras. 9(7), 19(7) (as inserted (with effect in accordance with Sch. 16 para. 15 of the amending Act) by [Finance Act 2016 \(c. 24\)](#), [Sch. 16 para. 4](#))
- C18** S. 1122 applied by 2003 c. 14, Sch. 7A para. 15(9) (as inserted (with effect in accordance with Sch. 16 para. 15 of the amending Act) by [Finance Act 2016 \(c. 24\)](#), [Sch. 16 para. 4](#))
- C19** S. 1122 applied (S.) by [2002 c. 29](#), [s. 396B](#) (as inserted (27.4.2017 for specified purposes, 31.1.2018 in so far as not already in force) by [Criminal Finances Act 2017 \(c. 22\)](#), [ss. 4](#), [58\(1\)\(6\)](#); S.I. 2018/78, [reg. 3\(a\)](#))
- C20** S. 1122 applied (E.W.N.I.) by [2002 c. 29](#), [s. 362B](#) (as inserted (27.4.2017 for specified purposes, 31.1.2018 for E.W. in so far as not already in force, 28.6.2021 for N.I.) by [Criminal Finances Act 2017 \(c. 22\)](#), [ss. 1](#), [58\(1\)\(6\)](#); S.I. 2018/78, [reg. 3\(a\)](#); S.I. 2021/724, [reg. 2\(1\)\(a\)](#))
- C21** S. 1122 applied (E.W.) (25.5.2017) by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), [ss. 74\(1\)](#), [81\(1\)](#) (with s. [74\(2\)](#))
- C22** S. 1122 applied by 1992 c. 12, Sch. 7AC para. 19(4) (as inserted (with effect in accordance with s. 27(6) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [s. 27\(5\)\(c\)](#))
- C23** S. 1122 applied (with modifications) by 2010 c. 8, s. 465(2) (as inserted (with effect in accordance with Sch. 5 para. 25(1)-(3) of the amending Act) by [Finance \(No. 2\) Act 2017 \(c. 32\)](#), [Sch. 5 para. 1](#) (with [Sch. 5 paras. 27](#), [32-34](#)))
- C24** S. 1122 applied by 2010 c. 8, s. 87(7) (as inserted (with effect in accordance with s. 31(7) of the amending Act) by [Finance Act 2018 \(c. 3\)](#), [s. 31\(3\)\(d\)](#))
- C25** S. 1122 applied (with modifications) (E.W.) (1.4.2018) by [The Landfill Disposals Tax \(Administration\) \(Wales\) Regulations 2018 \(S.I. 2018/101\)](#), regs. 1(2), [15\(2\)](#)
- C26** S. 1122 applied (with modifications) (E.W.) (1.4.2018) by [Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(anaw 1\)](#), s. [81\(2\)\(3\)](#), [Sch. 7 para. 51\(1\)](#); S.I. 2018/34, art. 3
- C27** S. 1122 applied (6.4.2018) by [Finance Act 2017 \(c. 10\)](#), [ss. 59\(4\)](#), [61\(1\)](#); S.I. 2018/464, art. 2(e)
- C28** S. 1122 applied by S.I. 2014/1893, art. 34B(8) (as inserted (E.W.) (12.11.2018) by [The Proceeds of Crime Act 2002 \(External Investigations and External Orders and Requests\) \(Amendment\) Order 2018 \(S.I. 2018/1078\)](#), arts. 1(2), [20](#))
- C29** S. 1122 applied by S.I. 2013/2605, art. 21B(8) (as inserted (E.W.) (12.11.2018) by [The Proceeds of Crime Act 2002 \(External Investigations and External Orders and Requests\) \(Amendment\) Order 2018 \(S.I. 2018/1078\)](#), arts. 1(2), [8](#))
- C30** S. 1122 applied by S.I. 2014/1893, art. 46B(8) (as inserted (E.W.) (12.11.2018) by [The Proceeds of Crime Act 2002 \(External Investigations and External Orders and Requests\) \(Amendment\) Order 2018 \(S.I. 2018/1078\)](#), arts. 1(2), [13](#))

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- C31** S. 1122 applied (with effect in accordance with s. 47(10) of the amending Act) by [Finance Act 2019 \(c. 1\), s. 47\(5\)](#)
- C32** S. 1122 applied (with effect in accordance with s. 48(12) of the amending Act) by [Finance Act 2019 \(c. 1\), s. 48\(7\)](#)
- C33** S. 1122 applied by 2019 c. 1, s. 48A(7) (as inserted (22.7.2020) by [Finance Act 2020 \(c. 14\), s. 78](#))
- C34** S. 1122 applied by 2019 c. 1, [s. 47A\(6\)](#) (as inserted (22.7.2020) by [Finance Act 2020 \(c. 14\), s. 77](#))
- C35** S. 1122 applied (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by 1994 c. 23, [Sch. 9ZA para. 9\(5\)](#) (as inserted by [Taxation \(Post-transition Period\) Act 2020 \(c. 26\), s. 11\(1\)\(e\), Sch. 2 para. 2](#) (with s. 3(4), [Sch. 2 para. 7\(7\)-\(10\)](#)); S.I. 2020/1642, [reg. 9](#))
- C36** S. 1122 applied by 2003 c. 14, Sch. 6C para. 4(2) (as inserted (10.6.2021) by [Finance Act 2021 \(c. 26\), Sch. 23 para. 8](#))
- C37** Ss. 1122, 1123 applied (with modifications) (17.5.2022) by S.I. 2006/3296, [reg. 3](#) (as substituted by [The Taxation of Securitisation Companies \(Amendment\) Regulations 2022 \(S.I. 2022/465\)](#), regs. 1(1), [3](#) (with [reg. 1\(2\)](#)))
- C38** S. 1122 applied by 2012 c. 14, [s. 130A\(9\)](#) (with s. 130A(7)) (as inserted (retrospective to 15.12.2022 and with effect in accordance with [s. 302\(2\)-\(4\)](#) of the amending Act) by [Finance \(No. 2\) Act 2023 \(c. 30\), s. 30\(1\)](#))
- C39** S. 1122(7) modified (24.2.2022) by [Finance Act 2022 \(c. 3\), Sch. 2 para. 4\(4\)](#)

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

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

- s. 357CHA omitted by [2024 c. 3 Sch. 2 para. 14\(7\)](#)
- s. 658(1)(d)(e) inserted by [2010 c. 13 Sch. 6 para. 31](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 6 para. 31 omitted (retrospective to 6.4.2010) by virtue of Finance Act 2012 (c. 14), s. 52(2) (3))