



Finance Act 1965

1965 CHAPTER 25

PART IV

TAXATION OF COMPANIES AND OF COMPANY DISTRIBUTIONS.

Corporation tax.

49 General scheme of corporation tax.

- (1) Subject to any exceptions provided for by this Part of this Act, a company shall be chargeable to corporation tax on all its profits wherever arising.
- (2) A company shall be chargeable to corporation tax on profits accruing for its benefit under any trust, or arising under any partnership, in any case in which it would be so chargeable if the profits accrued to it directly; and a company shall be chargeable to corporation tax on profits arising in the winding up of the company, but shall not otherwise be chargeable to corporation tax on profits accruing to it in a fiduciary or representative capacity except as respects its own beneficial interest (if any) in those profits.
- (3) Corporation tax for any financial year shall be charged on profits arising in that year; but assessments to corporation tax shall be made on a company by reference to accounting periods, and the amount chargeable (after making all proper deductions) of the profits arising in an accounting period shall, where necessary, be apportioned between the financial years in which the accounting period falls.
- (4) Except as provided by this Part of this Act, corporation tax assessed for an accounting period shall be paid within nine months from the end of that period or, if it is later, within one month from the making of the assessment.
- (5) No assessment to corporation tax for the financial year 1964 or 1965 shall be made before the passing of an Act fixing the rate of tax for the year ; but in the financial year 1966 or any later year assessments for accounting periods falling wholly or partly in that year or (subject to subsection (6) below) in the preceding year may, notwithstanding that corporation tax has not at the time been charged for the year in

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question, charge tax for so much of the period as falls within that year according to the rate of tax last fixed, but any such charge shall be subject to later adjustment, if need be, by discharge or repayment of tax or by a further assessment if for that year corporation tax is not charged by an Act passed not later than 5th August next after the end of the year or is charged otherwise than as it has been assessed.

- (6) Where the Committee of Ways and Means of the House of Commons (being a Committee of the whole House) passes a Resolution for fixing the rate of corporation tax for the financial year 1966 or any later year, or for altering the tax for any such year, and the Resolution is agreed to by the House, then any assessment to tax afterwards made by virtue of subsection (5) above may be made in accordance with the Resolution; but no assessment made by virtue of that subsection more than one month after the end of any financial year shall charge tax for that year, unless a Resolution for charging corporation tax for that year has been so passed and agreed to, nor shall any assessment be made by virtue of any such Resolution more than four months after the date on which the Resolution is passed by the Committee of Ways and Means.
- (7) Corporation tax shall be under the care and management of the Commissioners of Inland Revenue (in this Part of this Act referred to as " the Board "), and the Board may do all such acts as may be deemed necessary and expedient for raising, collecting, receiving and accounting for the tax in the like manner as they are authorised to do with relation to any other duties under their care and management; and all enactments relating to the assessing, collecting, receiving and accounting for income tax (including enactments conferring or regulating a right of appeal), so far as they are consistent with the provisions of this Part of this Act, shall apply in like manner as nearly as may be in relation to corporation tax.