



Finance Act 1980

1980 CHAPTER 48

PART VIII

MISCELLANEOUS AND SUPPLEMENTARY

117 Demergers

Schedule 18 to this Act shall have effect for facilitating certain transactions whereby trading activities carried on by a single company or group are divided so as to be carried on by two or more companies not belonging to the same group or by two or more independent groups.

118 National Heritage Memorial Fund

- (1) There shall on a claim in that behalf to the Board be allowed in the case of the Trustees of the National Heritage Memorial Fund (in this section referred to as “the Trustees”) such exemption from tax as falls to be allowed under section 360 of the Taxes Act in the case of a charity the whole income of which is applied to charitable purposes.
- (2) The Trustees shall be exempt from tax in respect of all chargeable gains.
- (3) The Trustees shall be treated for the purposes of section 434(2) of the Taxes Act (covenanted payments to charities), section 49(2) of the Finance Act 1974 (relief from stamp duty) and sections 54 and 99 above as a body of persons established for charitable purposes only.
- (4) Section 24 of the Development Land Tax Act 1976 (exemption of charities) and section 57 of the Finance Act 1977 (exemption of charities from national insurance surcharge) shall have effect as if the Trustees were a charity within the meaning of section 360 of the Taxes Act.
- (5) In paragraph 12(1) of Schedule 6 to the Finance Act 1975 (capital transfer tax exemptions) after the entry relating to the National Art Collections Fund there shall be inserted—

“The Trustees of the National Heritage Memorial Fund”.

Status: This is the original version (as it was originally enacted).

- (6) This section shall be deemed to have come into force on 1st April 1980.

119 Transfer of assets of public corporations

- (1) Subject to subsection (2) below, the successor company in which the property, rights, liabilities and obligations of the British Airways Board are vested by any Act passed in the same Session as this Act shall be treated for all purposes of corporation tax and development land tax as if it were the same person as the British Airways Board; and the successor company to which the undertaking of the National Freight Corporation is transferred by any such Act shall be treated for those purposes as if it were the same person as the National Freight Corporation.
- (2) A successor company shall not by virtue of subsection (1) above be regarded as a body falling within section 272(5) of the Taxes Act (bodies established for carrying on industries or undertakings under national ownership or control) or subsection (10) of section 23 of the Development Land Tax Act 1976 (statutory undertakers); and subsection (1) above shall not be regarded as preventing the vesting in a successor company of an interest of the British Airways Board or the National Freight Corporation constituting a disposal for the purposes of the said section 23.
- (3) The transfer by any such Act as is mentioned in subsection (1) above from the British Airways Board to the successor company of liability for any loan made to the Board shall not affect any direction in respect of the loan which has been given by the Treasury under section 416 of the Taxes Act (income tax exemption for interest on foreign currency securities).
- (4) The fact that the Secretary of State has power to give directions to the National Enterprise Board, the Scottish Development Agency or the Welsh Development Agency as to the making of a transfer of securities or other property held by them shall not be regarded as constituting an arrangement within the meaning of section 92(9) of the Finance Act 1972 or section 29 of the Finance Act 1973 (which deny relief for advance corporation tax and losses within a group where certain arrangements exist).

120 National Savings Bank

- (1) Subject to subsection (2) below, all sums received by the Director of Savings as investment deposits with the National Savings Bank shall from time to time be paid by him into the National Loans Fund in accordance with directions given by the Treasury; and the sums required for repaying, or paying interest on, investment deposits with the Bank shall be charged on that Fund with recourse to the Consolidated Fund.
- (2) There may be retained by the Director of Savings out of the sums received by him as mentioned in subsection (1) above such amounts as may be required by him as a working balance; and there shall be paid to him from time to time out of the National Loans Fund (or, as the case may be, the Consolidated Fund) the sums required for repaying, or paying interest on, investment deposits or for increasing his working balance.
- (3) The amounts to be retained by or paid to the Director of Savings under subsection (2) above shall be determined by agreement between him and the Treasury.
- (4) The Director of Savings shall keep an account of all sums—
- (a) received and paid by him in respect of investment deposits;

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

- (b) paid by him into or received by him out of the National Loans Fund; or
(c) received by him out of the Consolidated Fund,
and shall prepare a statement of that account as respects each year ending with 31st December.
- (5) The statement prepared for each year under subsection (4) above shall, before the end of May next following the expiration of the year, be transmitted to the Comptroller and Auditor General who shall examine, certify and report on it and lay copies of it, together with copies of his report, before Parliament.
- (6) The expenses of the Director of Savings in connection with investment deposits shall be defrayed out of moneys provided by Parliament.
- (7) Sections 21 to 23 of the National Savings Bank Act 1971 and so much of section 25 of that Act as relates to investment deposits shall cease to have effect; and Schedule 19 to this Act shall have effect as respects the transition from those provisions to the foregoing provisions of this section.
- (8) The rate of interest on investment deposits shall be determined by the Treasury instead of by the Director of Savings with the consent of the Treasury ; and in the case of an alteration in a rate of interest not affecting deposits received before it is made, the notice of the alteration required by section 6 of the said Act of 1971 may be given after the making of the alteration.
- (9) Subsections (1) to (7) above have effect from 1st January 1981 and subsection (8) above from the passing of this Act.
- (10) This section and Schedule 19 to this Act shall be construed as one with the said Act of 1971.

121 Penalties

- (1) The Table in section 98 of the Taxes Management Act 1970 shall be amended as follows.
- (2) At the end of the first column there shall be inserted—

“Paragraph 6(9) of Schedule 1 of the Capital Gains Tax Act 1979;
Sections 30(5) and 67(4) of the Finance Act 1980 and paragraph 25 of
Schedule 10, paragraph 4(3) of Schedule 12 and paragraphs 21 and 22 of
Schedule 18 to that Act.”

- (3) At the end of the second column there shall be inserted—

“Sections 30(4) and 67(2) of the Finance Act 1980 and paragraph 4(1) of
Schedule 12 and paragraphs 19 and 20 of Schedule 18 to that Act.”

122 Short title, interpretation, construction and repeals

- (1) This Act may be cited as the Finance Act 1980.
- (2) In this Act “the Taxes Act ” means the Income and Corporation Taxes Act 1970.
- (3) In this Act—

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

- (a) Part III, so far as it relates to income tax, shall be construed as one with the Income Tax Acts, so far as it relates to corporation tax, shall be construed as one with the Corporation Tax Acts and, so far as it relates to capital gains tax, shall be construed as one with the Capital Gains Tax Act 1979 ; and
 - (b) Part IV shall be construed as one with Part III of the Finance Act 1975.
- (4) The enactments mentioned in Schedule 20 to this Act (which include spent enactments) are hereby repealed to the extent specified in the third column of that Schedule, but subject to any provision at the end of any Part of that Schedule.