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SCHEDULES

SCHEDULE 9

GROUP RELIEF

PART I

GENERAL MODIFICATIONS

Extension of scope of consortium relief

- 5 (1) This paragraph applies where—
- (a) a company (in this paragraph referred to as "the link company") which is a member of a consortium is also a member of a group of companies; and
 - (b) the link company could (disregarding any deficiency of profits) make a consortium claim in respect of the loss or other amount eligible for relief of a relevant accounting period of a company owned by the consortium.
- (2) Subject to sub-paragraphs (3) and (4) below, a company (in this paragraph referred to as a group member ") which is a member of the group referred to in sub-paragraph (1)(a) above but is not itself a member of the consortium may make any consortium claim which could be made by the link company ; and the fraction which is appropriate under section 259(8) of the Taxes Act where a group member is the claimant company shall be the same as that which would be appropriate if the link company were the claimant company.
- (3) A group member may not, by virtue of sub-paragraph (2) above, make a consortium claim in respect of the loss or other amount of any relevant accounting period of a company owned by the consortium unless the claimant company was a member of the group concerned throughout the whole of the accounting period or, as the case may be, each accounting period of the link company which, if that company were making the claim, would be a corresponding accounting period in relation to the relevant accounting period concerned.
- (4) The maximum amount of relief which, in the aggregate, may be claimed by group members and the link company by consortium claims relating to the loss or other amount of any relevant accounting period of a company owned by the consortium shall not exceed the relief which could have been claimed by the link company (disregarding any deficiency of profits) if this paragraph had not been enacted.
- 6 (1) This paragraph applies where—
- (a) a company (in this paragraph referred to as "the link company") which is a member of a consortium is also a member of a group of companies ; and
 - (b) a company which is a member of that group of companies but is not itself a member of the consortium has for any relevant accounting period a loss or other amount available for relief;

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and, in relation to the link company, any reference in this paragraph to a group member is a reference to a company falling within paragraph (b) above.

- (2) Subject to the following provisions of this paragraph, a company owned by the consortium may make any consortium claim in respect of the loss or other amount referred to in sub-paragraph (1)(b) above which it could make if the group member were a member of the consortium at all times when the link company was such a member, but not at any other time.
- (3) The fraction which is appropriate under section 259(8) of the Taxes Act in relation to a consortium claim made by virtue of subparagraph (2) above shall be the same as that which would be appropriate if the link company were the surrendering company, except that the accounting period in respect of which the member's share in the consortium is to be ascertained shall be that of the group member which is in fact the surrendering company.
- (4) A company owned by the consortium may not, by virtue of sub-paragraph (2) above, make a consortium claim in respect of the loss or other amount of any relevant accounting period of a group member unless, throughout the whole of that accounting period, the group member was a member of the group of companies referred to in sub-paragraph (1) above.
- (5) For any accounting period of a company owned by the consortium (in this subparagraph referred to as "the claimant company's accounting period"), the maximum amount of relief which, in the aggregate, may be claimed by that company by consortium claims relating to the losses or other amounts of accounting periods of the link company and group members shall not exceed that fraction of the total profits of the claimant company's accounting period which would be brought into account under section 259(8)(b) of the Taxes Act on a consortium claim in respect of which—
 - (a) the link company was the surrendering company ; and
 - (b) the link company's accounting period was the same as the claimant company's accounting period.