



# Income and Corporation Taxes Act 1988

## 1988 CHAPTER 1

### PART I

#### THE CHARGE TO TAX

##### *Income tax*

#### **1 The charge to income tax.**

<sup>F1</sup> .....

##### **Textual Amendments**

**F1** S. 1 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007](#) (c. 3), Sch. 1 para. 2, [Sch. 3 Pt. 1](#) (with Sch. 2)

#### **[<sup>F2</sup>1A Application of lower rate to income from savings and distributions.**

<sup>F3</sup> .....

##### **Textual Amendments**

**F2** S. 1A inserted (with effect in accordance with s. 73(3) of the amending Act) by [Finance Act 1996](#) (c. 8), [s. 73\(1\)](#)

**F3** S. 1A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007](#) (c. 3), Sch. 1 para. 2, [Sch. 3 Pt. 1](#) (with Sch. 2)

#### **[<sup>F4</sup>1B Rates of tax applicable to [<sup>F5</sup>distribution] income etc.**

<sup>F6</sup> .....

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**Textual Amendments**

- F4** S. 1B inserted (with effect in accordance with s. 31(6) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [s. 31\(5\)](#)
- F5** Words in s. 1B sidenote substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 4\(5\)](#) (with [Sch. 2](#))
- F6** S. 1B repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 2](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**2 Fractions of a pound, and yearly assessments.**

**F7** .....

**Textual Amendments**

- F7** S. 2 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 2](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**3 Certain income charged at basic rate.**

**F8** .....

**Textual Amendments**

- F8** S. 3 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 3](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**4 Construction of references in Income Tax Acts to deduction of tax.**

**F9** .....

**Textual Amendments**

- F9** S. 4 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 4](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**5 Date for payment.**

**F10** .....

**Textual Amendments**

- F10** S. 5 repealed (with effect in accordance with s. 199(2) and Sch. 26 Pt. 5(23) Note 2 of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 258, [Sch. 26 Pt. 5\(23\)](#); S.I. 1998/3173, [art. 2](#)

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## Corporation tax

### 6 The charge to corporation tax and exclusion of income tax and capital gains tax.

- (1) <sup>F11</sup> .....
- (2) <sup>F11</sup> .....
- (3) <sup>F11</sup> .....
- (4) <sup>F12</sup> .....
- [<sup>F13</sup>(4A) <sup>F14</sup> .....
- <sup>F15</sup>(5) .....

#### Textual Amendments

- F11** S. 6(1)-(3) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 2\(2\)](#), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))
- F12** S. 6(4) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 2](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F13** S. 6(4A) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), **Sch. 1 para. 6** (with [Sch. 2](#))
- F14** S. 6(4A) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 2\(4\)](#), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))
- F15** S. 6(5) repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 7 para. 36](#), **Sch. 10 Pt. 12** (with [Sch. 9 Pt. 1](#))

### 7 Treatment of certain payments and repayment of income tax.

- <sup>F16</sup> .....

#### Textual Amendments

- F16** S. 7 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 3](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

### 8 General scheme of corporation tax.

- <sup>F17</sup> .....

#### Textual Amendments

- F17** S. 8 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 3](#), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))

### [<sup>F18</sup>8A Resolutions to reduce corporation tax.

- <sup>F19</sup> .....

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### Textual Amendments

**F18** S. 8A inserted (27.7.1993) by 1993 c. 34, s. 206(2)

**F19** S. 8A repealed (29.4.1996) by Finance Act 1996 (c. 8), ss. 138, 205, Sch. 24 para. 10, Sch. 41

## 9 Computation of income: application of income tax principles.

- (1) <sup>F20</sup> .....
- (2) <sup>F20</sup> .....
- [<sup>F21</sup>(2A) <sup>F20</sup> .....
- (2B) <sup>F20</sup> .....
- (2C) <sup>F20</sup> .....]
- (3) <sup>F20</sup> .....
- (4) <sup>F20</sup> .....
- (5) Where <sup>F22</sup> . . . any enactment applies both to income tax and to corporation tax—
- (a) it shall not be affected in its operation by the fact that they are distinct taxes but, so far as is consistent with the Corporation Tax Acts, shall apply in relation to income tax and corporation tax as if they were one tax, so that, in particular, a matter which in a case involving two individuals is relevant for both of them in relation to income tax shall in a like case involving an individual and a company be relevant for him in relation to that tax and for it in relation to corporation tax; and
- (b) for that purpose references in any such enactment to a relief from or charge to income tax, or to a specified provision of the Income Tax Acts shall, in the absence of or subject to any express adaptation, be construed as being or including a reference to any corresponding relief from or charge to corporation tax, or to any corresponding provision of the Corporation Tax Acts.
- (6) <sup>F23</sup> .....

### Textual Amendments

**F20** S. 9(1)-(4) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 4(2), Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**F21** S. 9(2A)-(2C) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 7(2) (with Sch. 2)

**F22** Words in s. 9(5) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 4(3), Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**F23** S. 9(6) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 4(4), Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

### Modifications etc. (not altering text)

**C1** S. 9 restricted (24.3.2005) by Income Tax (Trading and Other Income) Act 2005 (c. 5), ss. 881, 883(3) (b) (with Sch. 2)

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## 10 Time for payment of tax.

F24 .....

### Textual Amendments

**F24** S. 10 repealed (with effect in accordance with s. 199(2) of the amending Act) by Finance Act 1994 (c. 9), s. 258, Sch. 26 Part 5(23), Note 4; S.I. 1998/3173, art. 2

## 11 Companies not resident in United Kingdom.

[<sup>F25</sup>(1) <sup>F26</sup> .....  
(2) <sup>F26</sup> .....  
(2A) <sup>F26</sup> .....]  
(3) <sup>F27</sup> .....  
(4) <sup>F27</sup> .....

### Textual Amendments

**F25** S. 11(1)-(2A) substituted for s. 11(1)(2) (with effect in accordance with s. 149(6) of the amending Act) by Finance Act 2003 (c. 14), s. 149(1)  
**F26** S. 11(1)-(2A) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 5, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)  
**F27** S. 11(3)(4) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 4, Sch. 3 Pt. 1 (with Sch. 2)

## [<sup>F28</sup> 11AA Determination of profits attributable to permanent establishment

<sup>F29</sup> .....

### Textual Amendments

**F28** S. 11AA inserted (with effect in accordance with s. 149(6) of the amending Act) by Finance Act 2003 (c. 14), s. 149(2)  
**F29** S. 11AA repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 6, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

## 12 Basis of, and periods for, assessment.

(1) <sup>F30</sup> .....  
(2) <sup>F30</sup> .....  
(3) <sup>F30</sup> .....  
(4) <sup>F30</sup> .....  
(5) <sup>F30</sup> .....

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[ <sup>F31</sup> (5A) <sup>F30</sup> .....	]
[ <sup>F32</sup> (5B) <sup>F33</sup> .....	]
(6) <sup>F30</sup> .....	
(7) <sup>F30</sup> .....	
[ <sup>F34</sup> (7ZA) <sup>F30</sup> .....	]
[ <sup>F35</sup> (7A) <sup>F36</sup> .....	]
[ <sup>F37</sup> (7B) <sup>F38</sup> .....	
<sup>F38</sup> .....	
<sup>F39</sup> .....	]
[ <sup>F40</sup> [ <sup>F41</sup> (7C) <sup>F36</sup> .....	]]

(8) Where it appears to the inspector that the beginning or end of any accounting period of a company is uncertain, he may make an assessment on the company for such period, not exceeding 12 months, as appears to him appropriate, and that period shall be treated for all purposes as an accounting period of the company unless either—

- (a) the inspector on further facts coming to his knowledge sees fit to revise it; or
- (b) on an appeal against the assessment in respect of some other matter the company shows the true accounting periods;

and if on an appeal against an assessment made by virtue of this subsection the company shows the true accounting periods, the assessment appealed against shall, as regards the period to which it relates, have effect as an assessment or assessments for the true accounting periods, and there may be made such other assessments for any such periods or any of them as might have been made at the time when the assessment appealed against was made.

[ <sup>F42</sup> (9) <sup>F43</sup> .....	]
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#### Textual Amendments

- F30** S. 12(1)-(7ZA) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 7, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F31** S. 12(5A) inserted (with effect as mentioned in Sch. 4 para. 11(4) of the amending Act) by Finance Act 1996 (c. 8), s. 79, **Sch. 24 para. 11(3)**
- F32** S. 12(5B) inserted (with effect in accordance with Sch. 41 para. 5(1) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 41 para. 1(3)**
- F33** S. 12(1)-(7ZA) repealed (with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 7, **Sch. 3 Pt. 1** (with Sch. 2 Pt. 12)
- F34** S. 12(7ZA) inserted (with effect in accordance with Sch. 41 para. 5(1) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 41 para. 1(5)**
- F35** S. 12(7A) inserted by Finance Act 1990 (c. 29), s.48, **Sch.9 para.3** (in relation to transfers of business on or after 1.11.1990)
- F36** S. 12(7A)(7C) omitted (19.2.2008 with effect in accordance with art. 1(2) of the repealing S.I.) by virtue of The Insurance Business Transfer Schemes (Amendment of the Corporation Tax Acts) Order 2008 (S.I. 2008/381), **arts. 1(1), 3**
- F37** S. 12(7B) inserted (with effect in accordance with art. 14(4) of the amending S.I.) by The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), **art. 14(3)**

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- F38** S. 12(7B): words and definition of "contracts of long-term insurance" repealed (with effect in accordance with Sch. 10 para. 17(2) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 10 para. 14\(2\)\(a\)](#), [Sch. 27 Pt. 2\(10\)](#), Note
- F39** S. 12(7B): definition of "insurance business transfer scheme" repealed (with effect in accordance with Sch. 9 para. 17(1) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 1\(2\)\(a\)](#), [Sch. 27 Pt. 2\(9\)](#), Note
- F40** S. 12(7C) inserted (with effect in accordance with [Sch. 9 para. 20\(7\)](#) of the amending Act) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), [Sch. 9 para. 20\(3\)](#)
- F41** S. 12(7C) substituted (with effect in accordance with [Sch. 9 para. 17\(1\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 3\(2\)](#)
- F42** S. 12(9) inserted (with effect in accordance with [Sch. 10 para. 2](#) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [Sch. 10 para. 43\(2\)](#)
- F43** S. 12(9) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 7](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

### *Small companies' rate*

## **13 Small companies' relief.**

**F44** .....

### **Textual Amendments**

- F44** Ss. 13-13A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 5](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## **[<sup>F45</sup>13ZA Interpretation of section 13(7)**

**F46** .....

### **Textual Amendments**

- F45** S. 13ZA inserted (with application in accordance with s. 86(6) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), [s. 86\(5\)](#)
- F46** Ss. 13-13A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 5](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## **[<sup>F47</sup>13AA Corporation tax starting rate.**

**F48** .....

### **Textual Amendments**

- F47** S. 13AA inserted (with effect in accordance with s. 28(6)(7) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 28\(1\)](#)
- F48** S. 13AA repealed (with effect in accordance with s. 26(8)-(11) of the repealing Act) by [Finance Act 2006 \(c. 25\)](#), [s. 26\(1\)](#), [Sch. 26 Pt. 3\(1\)](#), Note

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[<sup>F49</sup>**13AB**The non-corporate distribution rate

<sup>F50</sup> .....

**Textual Amendments**

**F49** S. 13AB inserted (with effect in accordance with s. 28(4)(5) of the amending Act) by Finance Act 2004 (c. 12), s. 28(1)(6)

**F50** S. 13AB repealed (with effect in accordance with s. 26(8)-(11) of the repealing Act) by Finance Act 2006 (c. 25), s. 26(2), Sch. 26 Pt. 3(1), Note

[<sup>F51</sup>**13A** Close investment-holding companies.

<sup>F52</sup> .....

**Textual Amendments**

**F51** S. 13A inserted (in relation to accounting periods beginning after 31 March 1989) by Finance Act 1989 (c. 26), s. 105(2)(3)

**F52** Ss. 13-13A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 5, Sch. 3 Pt. 1 (with Sch. 2)

*Advance corporation tax*

**14 Advance corporation tax and qualifying distributions.**

<sup>F53</sup> .....

**Textual Amendments**

**F53** S. 14 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 6, Sch. 3 Pt. 1 (with Sch. 2)

*The six Schedules*

**15 Schedule A.**

<sup>F54</sup> .....

**Textual Amendments**

**F54** S. 15 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 8, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

<sup>F55</sup>**16 Schedule B.**

.....



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**Textual Amendments**

**F55** S. 16 repealed (with effect from 6.4.1988) by [Finance Act 1988 \(c. 39\)](#) s.148, Sch.14 Pt. V

**F56** 17 **Schedule C.**

.....

**Textual Amendments**

**F56** S. 17 repealed (with effect in accordance with Sch. 7 para. 32 and Sch. 41 Pt. 5(2) Note of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), ss. 79, 205, Sch. 7 para. 3, **Sch. 41 Pt. V(2)**, Note (with Sch. 7 paras. 33-35)

**18** **Schedule D.**

**F57** .....

**Textual Amendments**

**F57** S. 18 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), Sch. 1 para. 9, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**19** **Schedule E.**

**F58** .....

**Textual Amendments**

**F58** S. 19 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), s. 723, Sch. 6 para. 6, **Sch 8 Pt. 1** (with Sch. 7)

**20** **Schedule F.**

**F59** .....

**Textual Amendments**

**F59** S. 20 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 10, **Sch. 3** (with Sch. 2)

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## PART II

### [<sup>F60</sup>PROVISIONS RELATING TO THE SCHEDULE A CHARGE]

#### Textual Amendments

- F60** Pt. 2 heading substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), s. 38(1), [Sch. 5 para. 3](#) (with [Sch. 5 para. 73](#))

#### *General*

#### [<sup>F61</sup>21 Persons chargeable and basis of assessment.

F62 .....

#### Textual Amendments

- F61** Ss. 21-21B substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) for s. 21 by [Finance Act 1998 \(c. 36\)](#), s. 38(1), [Sch. 5 para. 4](#) (with [Sch. 5 paras. 73, 76](#))
- F62** S. 21 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 11](#), [Sch. 3](#) (with [Sch. 2](#))

#### [<sup>F63</sup>21A Computation of amount chargeable.

F64 .....

#### Textual Amendments

- F63** Ss. 21-21B substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) for s. 21 by [Finance Act 1998 \(c. 36\)](#), s. 38(1), [Sch. 5 para. 4](#) (with [Sch. 5 paras. 73, 76](#))
- F64** S. 21A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 10](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

#### 21B Application of other rules applicable to Case I of Schedule D.

F65 .....

#### Textual Amendments

- F63** Ss. 21-21B substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) for s. 21 by [Finance Act 1998 \(c. 36\)](#), s. 38(1), [Sch. 5 para. 4](#) (with [Sch. 5 paras. 73, 76](#))
- F65** S. 21B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 11](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

#### [<sup>F66</sup>21C The Schedule A charge and mutual business.

F67 .....

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**Textual Amendments**

- F66** S. 21C inserted (with effect as mentioned in s. 38(2)(3) of the amending Act) by [Finance Act 1998](#) (c. 36), s. 38(1), **Sch. 5 para. 5** (with [Sch. 5 paras. 73, 76](#))
- F67** S. 21C repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009](#) (c. 4), [Sch. 1 para. 12](#), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))

**22 Assessments.**

**F68** .....

**Textual Amendments**

- F68** S. 22 repealed (with effect in accordance with s. 39(4)(5) and [Sch. 29 Pt. 8\(1\)](#) Note of the repealing Act) by [Finance Act 1995](#) (c. 4), [ss. 39\(3\), 162](#), [Sch. 6 para. 3](#), **Sch. 29 Pt. 8(1)**, Note

**23 Collection from lessees and agents.**

**F69** .....

**Textual Amendments**

- F69** S. 23 repealed (with effect in accordance with s. 39(4)(5) and [Sch. 29 Pt. 8\(1\)](#) Note of the repealing Act) by [Finance Act 1995](#) (c. 4), [ss. 39\(3\), 162](#), [Sch. 6 para. 3](#), **Sch. 29 Pt. 8(1)**, Note

**24 Construction of Part II.**

**F70** .....

**Textual Amendments**

- F70** S. 24 repealed for the purposes of Corporation Tax (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010](#) (c. 4), [Sch. 1 para. 7](#), **Sch. 3 Pt. 2** (with [Sch. 2](#))
- S. 24 otherwise repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010](#) (c. 8), [Sch. 8 para. 241](#), **Sch. 10 Pt. 9** (with [Sch. 9 paras. 1-9](#))

*Deductions and other allowances*

**25 Deductions from rent: general rules.**

**F71** .....

**Textual Amendments**

- F71** S. 25 ceased to have effect except for specified purposes (with effect in accordance with s. 39(4)(5) of the amending Act) by virtue of [Finance Act 1995](#) (c. 4), s. 39(3), **Sch. 6 para. 4(a)**; and s. 25 repealed

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(with effect as mentioned in s. 38(2)(3) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), ss. 38(1), 165, [Sch. 5 para. 6](#), [Sch. 27 Pt. 3\(4\)](#), Note (with Sch. 5 paras. 65, 68, 73)

## 26 Deductions from rent: land managed as one estate.

F72 .....

### Textual Amendments

**F72** S. 26 repealed (with effect as mentioned in s. 39 of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), s. 165, [Sch. 27 Pt. 3\(5\)](#), Note

## 27 Deductions from rent: maintenance funds for historic buildings.

F73 .....

### Textual Amendments

**F73** S. 27 repealed (with effect as mentioned in s. 39 of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), s. 165, [Sch. 27 Pt. 3\(5\)](#), Note

## 28 Deductions from receipts other than rent.

F74 .....

### Textual Amendments

**F74** S. 28 ceased to have effect except for specified purposes (with effect in accordance with s. 39(4)(5) of the amending Act) by virtue of [Finance Act 1995 \(c. 4\)](#), s. 39(3), [Sch. 6 para. 4\(a\)](#); and s. 28 repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), ss. 38(1), 165, [Sch. 5 para. 9](#), [Sch. 27 Pt. 3\(4\)](#), Note (with Sch. 5 paras. 65, 73)

## 29 Sporting rights.

F75 .....

### Textual Amendments

**F75** S. 29 ceased to have effect except for specified purposes (with effect in accordance with s. 39(4)(5) of the amending Act) by virtue of [Finance Act 1995 \(c. 4\)](#), s. 39(3), [Sch. 6 para. 4\(b\)](#); and s. 29 repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), ss. 38(1), 165, [Sch. 5 para. 10](#), [Sch. 27 Pt. 3\(4\)](#), Note (with Sch. 5 paras. 65, 73)

## 30 Expenditure on making sea walls.

F76 .....

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**Textual Amendments**

**F76** S. 30 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 14](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**31 Provisions supplementary to sections 25 to 30.**

**F77** .....

**Textual Amendments**

**F77** S. 31 ceased to have effect except for specified purposes (with effect in accordance with s. 39(4)(5) of the amending Act) by virtue of [Finance Act 1995 \(c. 4\)](#), s. 39(3), [Sch. 6 para. 4\(c\)](#); and s. 31 repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), ss. 38(1), 165, [Sch. 5 para. 12](#), [Sch. 27 Pt. 3\(4\)](#), Note (with [Sch. 5 paras. 65, 68, 73](#))

[<sup>F78</sup> **31ZA Deduction for expenditure on energy-saving items**

**F79** .....

**Textual Amendments**

**F78** Ss. 31ZA-31ZC inserted (with effect in accordance with s. 17(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), s. 17(1); S.I. 2008/1521, [art. 2](#)  
**F79** Ss. 31ZA-31ZC repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**31ZB Restrictions on relief**

**F80** .....

**Textual Amendments**

**F78** Ss. 31ZA-31ZC inserted (with effect in accordance with s. 17(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), s. 17(1); S.I. 2008/1521, [art. 2](#)  
**F80** Ss. 31ZA-31ZC repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**31ZC Regulations**

**F81** .....]

**Textual Amendments**

**F78** Ss. 31ZA-31ZC inserted (with effect in accordance with s. 17(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), s. 17(1); S.I. 2008/1521, [art. 2](#)  
**F81** Ss. 31ZA-31ZC repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

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**[<sup>F82</sup>31A Deductions for expenditure by landlords on energy-saving items**

<sup>F83</sup> .....

**Textual Amendments**

- F82** Ss. 31A, 31B inserted (with effect in accordance with s. 143(2) of the amending Act) by Finance Act 2004 (c. 12), s. 143(1)
- F83** S. 31A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 16, **Sch. 3** (with Sch. 2)

**31B Provisions supplementary to section 31A**

<sup>F84</sup> ..... ]

**Textual Amendments**

- F82** Ss. 31A, 31B inserted (with effect in accordance with s. 143(2) of the amending Act) by Finance Act 2004 (c. 12), s. 143(1)
- F84** S. 31B repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 16, **Sch. 3** (with Sch. 2)

**32 Capital allowances for machinery and plant used in estate management.**

<sup>F85</sup> .....

**Textual Amendments**

- F85** S. 32 repealed (with effect as mentioned in Sch. 15 para. 9(1) of the repealing Act) by Finance Act 1997 (c. 16), ss. 85, 113, Sch. 15 para. 1, **Sch. 18 Pt. 06(11)**, Note

**33 Agricultural land: allowance for excess expenditure on maintenance.**

<sup>F86</sup> .....

**Textual Amendments**

- F86** S. 33 ceased to have effect except for specified purposes (with effect in accordance with s. 39(4)(5) of the amending Act) by virtue of Finance Act 1995 (c. 4), s. 39(3), **Sch. 6 para. 4(d)**; and s. 33 repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by Finance Act 1998 (c. 36), ss. 38(1), 165, Sch. 5 para. 13, **Sch. 27 Pt. 3(4)**, Note (with Sch. 5 paras. 65, 73)

*[<sup>F87</sup> Connected persons*

**Textual Amendments**

- F87** Ss. 33A, 33B inserted (16.7.1992 with effect in relation to rents or receipts accruing on or after 10.3.1992) by Finance (No. 2) Act 1992 (c. 48), s. 57(1)(2).

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**F88 33A Rents or receipts payable by a connected person.**

F89 .....

**Textual Amendments**

**F88** S. 33A inserted (16.7.1992 with effect in relation to rents or receipts accruing on or after 10.3.1992) by Finance (No. 2) Act 1992 (c. 48), s. 57(1)(2).

**F89** S. 33A ceased to have effect except for specified purposes (with effect in accordance with s. 39(4) (5) of the amending Act) by virtue of Finance Act 1995 (c. 4), s. 39(3), Sch. 6 para. 4(e); and s. 33A repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by Finance Act 1998 (c. 36), ss. 38(1), 165, Sch. 5 para. 14, Sch. 27 Pt. 3(4), Note (with Sch. 5 paras. 65, 73)

**F90 33B Rents or receipts relating to land in respect of which a connected person makes payments to a third party.**

F91 .....]

**Textual Amendments**

**F90** S. 33B inserted (16.7.1992 with effect in relation to rents or receipts accruing on or after 10.3.1992) by Finance (No. 2) Act 1992 (c. 48), s. 57(1)(2).

**F91** S. 33B ceased to have effect except for specified purposes (with effect in accordance with s. 39(4) (5) of the amending Act) by virtue of Finance Act 1995 (c. 4), s. 39(3), Sch. 6 para. 4(e); and s. 33B repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by Finance Act 1998 (c. 36), ss. 38(1), 165, Sch. 5 para. 14, Sch. 27 Pt. 3(4), Note (with Sch. 5 paras. 65, 73)

*Premiums, leases at undervalue etc*

**34 [F92 Treatment of premiums, etc. as rent.]**

F93 .....

**Textual Amendments**

**F92** S. 34 sidenote substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), s. 38(1), Sch. 5 para. 15(2), (with Sch. 5 para. 73)

**F93** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, Sch. 3 Pt. 1 (with Sch. 2 paras. 1-10, 39-41)

**35 [F94 Charge] on assignment of lease granted at an undervalue.**

F95 .....

**Textual Amendments**

**F94** S. 35: word in sidenote substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), s. 38(1), Sch. 5 para. 16(2) (with Sch. 5 para. 73)

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**F95** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2 paras. 1-10, 39-41)

### 36 [<sup>F96</sup>Charge] on sale of land with right to reconveyance.

**F97** .....

#### Textual Amendments

**F96** S. 36: word in sidenote substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), s. 38(1), **Sch. 5 para. 17(2)** (with Sch. 5 para. 73)

**F97** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2 paras. 1-10, 39-41)

### 37 Premiums paid etc: deductions from premiums and rent received.

**F98** .....

#### Textual Amendments

**F98** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2 paras. 1-10, 39-41)

### [<sup>F99</sup>37A Section 37(4) and reductions in receipts under ITTOIA 2005

**F100** .....]

#### Textual Amendments

**F99** S. 37A inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 21** (with Sch. 2)

**F100** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2 paras. 1-10, 39-41)

### 38 Rules for ascertaining duration of leases.

**F101** .....

#### Textual Amendments

**F101** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2 paras. 1-10, 39-41)

### 39 Saving for pre-1963 leases, and special relief for individuals.

**F102** .....



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**Textual Amendments**

**F102** Ss. 34-39 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2 paras. 1-10, 39-41)

*[<sup>F103</sup> Supplementary provisions]*

**Textual Amendments**

**F103** Cross-heading before s. 40 substituted (with effect as mentioned in s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), s. 38(1), **Sch. 5 para. 19**, (with Sch. 5 para. 73)

**40 Tax treatment of receipts and outgoings on sale of land.**

**F104** .....

**Textual Amendments**

**F104** S. 40 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 17, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**41 Relief for rent etc. not paid.**

**F105** .....

**Textual Amendments**

**F105** S. 41 ceased to have effect except for specified purposes (with effect in accordance with s. 39(4)(5) of the amending Act) by virtue of Finance Act 1995 (c. 4), s. 39(3), **Sch. 6 para. 4(g)**; and s. 41 repealed (with effect as mentioned in s. 38(2)(3) of the repealing Act) by Finance Act 1998 (c. 36), ss. 38(1), 165, Sch. 5 para. 21, **Sch. 27 Pt. 3(4)**, Note (with Sch. 5 paras. 65, 73)

**42 Appeals against determinations under <sup>F106</sup>... [<sup>F107</sup>Chapter 4 of Part 3 of ITTOIA 2005].**

**F108** .....

**Textual Amendments**

**F106** S. 42: words in sidenote omitted (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by virtue of Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 18(3)**  
**F107** S. 42: words in sidenote inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 24(3)** (with Sch. 2)  
**F108** S. 42 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 7 para. 20, **Sch. 10 Pt. 12** (with Sch. 9 Pt. 1) (subject to the omission of s. 42(7), so far as it continues to have effect, by virtue of Finance Act 2011 (c. 11), Sch. 23 paras. 55(a), 65)

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**[<sup>F109</sup> 42A Non-residents and their representatives.**

<sup>F110</sup> .....

**Textual Amendments**

**F109** S. 42A inserted (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), **s. 40(1)**

**F110** S. 42A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 7, **Sch. 3 Pt. 1** (with Sch. 2)

**43 Non-residents.**

<sup>F111</sup> .....

**Textual Amendments**

**F111** S. 43 repealed (with effect in accordance with s. 40(3) of the repealing Act) by [Finance Act 1995 \(c. 4\)](#), s. 40(3), **Sch. 29 Pt. 8(16)**, Note 1

*[<sup>F112</sup> Rent factoring*

**Textual Amendments**

**F112** Ss. 43A-43G and cross-heading inserted (with effect in accordance with s. 110(2) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **s.110(1)**

**43A Finance agreement: interpretation.**

<sup>F113</sup> .....

**Textual Amendments**

**F113** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by [Finance Act 2006 \(c. 25\)](#), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

**43B Transfer of rent.**

<sup>F114</sup> .....

**Textual Amendments**

**F114** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by [Finance Act 2006 \(c. 25\)](#), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

**43C Transfer of rent: exceptions, &c.**

<sup>F115</sup> .....

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**Textual Amendments**

**F115** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by Finance Act 2006 (c. 25), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

**43D Interposed lease.**

**F116** .....

**Textual Amendments**

**F116** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by Finance Act 2006 (c. 25), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

**43E Interposed lease: exceptions, &c.**

**F117** .....

**Textual Amendments**

**F117** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by Finance Act 2006 (c. 25), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

**43F Insurance business.**

**F118** .....

**Textual Amendments**

**F118** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by Finance Act 2006 (c. 25), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

**43G Interpretation.**

**F119** .....]

**Textual Amendments**

**F119** Ss. 43A-43G repealed (with effect in accordance with Sch. 6 para. 1(2) of the repealing Act) by Finance Act 2006 (c. 25), Sch. 6 para. 1(1), **Sch. 26 Pt. 3(12)**, Note

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## PART III

### [<sup>F120</sup>GOVERNMENT SECURITIES]

#### Textual Amendments

**F120** Pt. 3 heading substituted (with effect in accordance with Sch. 7 para. 32 of the amending Act) by Finance Act 1996, s. 79, Sch. 7 para. 6 (with Sch. 7 paras. 33-35)

#### General

#### 44 Income tax: mode of charge.

<sup>F121</sup> .....

#### Textual Amendments

**F121** S. 44 repealed (with effect in accordance with Sch. 7 para. 32 and Sch. 41 Pt. 5(2) Note of the repealing Act) by Finance Act 1996 (c. 8), ss. 79, 205, Sch. 7 para. 7, Sch. 41 Pt. 5(2) (with Sch. 7 paras. 33-35)

#### 45 Interpretation of Part III.

<sup>F122</sup> .....

#### Textual Amendments

**F122** S. 45 repealed (with effect in accordance with Sch. 7 para. 32 and Sch. 41 Pt. 5(2) Note of the repealing Act) by Finance Act 1996 (c. 8), ss. 79, 205, Sch. 7 para. 8, Sch. 41 Pt. 5(2) (with Sch. 7 paras. 33-35)

#### Government securities: exemptions from tax

#### 46 Savings certificates and tax reserve certificates.

<sup>F123</sup> .....

#### Textual Amendments

**F123** S. 46 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), Sch. 1 para. 19, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

#### 47 United Kingdom government securities held by non-residents.

<sup>F124</sup> .....

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F124** S. 47 repealed (with effect in accordance with s. 154(9) of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), ss. 154(7), 205, Sch. 28 para. 1, **Sch. 41 Pt. 5(18)**, Note (with s. 154(2)-(6))

### 48 Securities of foreign states.

**F125** .....

#### Textual Amendments

**F125** S. 48 repealed (with effect in accordance with Sch. 7 para. 32 and Sch. 41 Pt. 5(2) Note of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), ss. 79, 205, Sch. 7 para. 9, **Sch. 41 Pt. 5(2)** (with Sch. 7 paras. 33-35)

### 49 Stock and dividends in name of Treasury etc.

- [<sup>F126</sup>(1) No tax shall be chargeable in respect of the stock or dividends—
- (a) transferred, in pursuance of any Act of Parliament, to accounts in the books of the Bank of England in the name of the Treasury or the National Debt Commissioners, or
  - (b) transferred, in pursuance of any Act of Parliament, to the Treasury or the National Debt Commissioners and in respect of which the Treasury or those Commissioners are entered as holder in the registers kept by the Registrar of Government Stock,
- but the Bank of England and the Registrar of Government Stock shall each transmit to the Board an account of the total amount thereof in those books or registers as the case may be.]
- (2) No tax shall be chargeable in respect of the stock or dividends belonging to the Crown, in whatever name they may stand in the books of the Bank of England [<sup>F127</sup>or in the registers kept by the Registrar of Government Stock].
- [<sup>F128</sup>(3) In this section “dividends” means any interest, public annuities, dividends or shares of annuities.]
- [<sup>F129</sup>(4) In this section “Registrar of Government Stock” means the person or persons appointed in accordance with regulations under section 47(1)(b) of the Finance Act 1942 (see regulation 3 of the Government Stock Regulations 2004).]

#### Textual Amendments

- F126** S. 49(1) substituted (15.11.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No. 3\) Order 2004 \(S.I. 2004/2744\)](#), art. 1, **Sch. para. 2(2)(a)** (with art. 3)
- F127** Words in s. 49(2) inserted (15.11.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No. 3\) Order 2004 \(S.I. 2004/2744\)](#), art. 1, **Sch. para. 2(2)(b)** (with art. 3)
- F128** S. 49(3) inserted (with effect in accordance with Sch. 7 para. 32 of the amending Act) by [Finance Act 1996 \(c. 8\)](#), s. 79, **Sch. 7 para. 10** (with Sch. 7 paras. 33-35)
- F129** S. 49(4) inserted (15.11.2004) by [The Government Stock \(Consequential and Transitional Provision\) \(No. 3\) Order 2004 \(S.I. 2004/2744\)](#), art. 1, **Sch. para. 2(2)(c)** (with art. 3)

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*Government securities: interest payable without deduction of tax*

**50 United Kingdom securities: Treasury directions for payment without deduction of tax.**

F130 .....

**Textual Amendments**

**F130** S. 50 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 8, Sch. 3 Pt. 1](#) (with Sch. 2)

**51 Treasury directions as respects Northern Ireland securities.**

F131 .....

**Textual Amendments**

**F131** S. 51 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 8, Sch. 3 Pt. 1](#) (with Sch. 2)

**[<sup>F132</sup>51A Commencement of direction under section 50 or 51.**

F133 .....]

**Textual Amendments**

**F132** S. 51AA inserted (29.4.1996) by [Finance Act 1996 \(c. 8\), s. 155](#)

**F133** S. 51AA repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 8, Sch. 3 Pt. 1](#) (with Sch. 2)

**[<sup>F134</sup>51A Gilt-edged securities held under authorised arrangements.**

F135 .....]

**Textual Amendments**

**F134** S. 51A inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 77](#)

**F135** S. 51A repealed (with effect in accordance with s. 37(8) and Sch. 8 Pt. 2(13) Note of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), ss. 37\(5\), 52, Sch. 8 Pt. 2\(13\)](#)

**[<sup>F136</sup>51B Periodic accounting for tax on interest on gilt-edged securities.**

F137 .....]

**Textual Amendments**

**F136** S. 51B inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 78\(1\)](#)

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**F137** S. 51B repealed (with effect in accordance with s. 37(3) of the repealing Act and S.I. 1999/619) by Finance Act 1998 (c. 36), ss. 37(1), 165, **Sch. 27 Pt. 3(3)**, Note

**52 Taxation of interest on converted government securities and interest which becomes subject to deduction.**

**F138** .....

**Textual Amendments**

**F138** S. 52 repealed (with effect in accordance with Sch. 7 para. 32 of the repealing Act) by Finance Act 1996 (c. 8), ss. 79, 205, Sch. 7 para. 12, **Sch. 41 Pt. 5(2)**, Note (with Sch. 7 paras. 33-35)

**PART IV**

**PROVISIONS RELATING TO THE SCHEDULE D CHARGE**

**CHAPTER I**

**SUPPLEMENTARY CHARGING PROVISIONS**

**53 Farming and other commercial occupation of land (except woodlands).**

**F139** .....

**Textual Amendments**

**F139** S. 53 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 20, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**F140** **54 Woodlands managed on a commercial basis.**

.....

**Textual Amendments**

**F140** S. 54 repealed (15.3.1988) by Finance Act 1988 (c. 39), **Sch. 14 Pt. 5**, Note 2

**55 Mines, quarries and other concerns.**

**F141** .....

**Textual Amendments**

**F141** S. 55 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 21, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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**56 Transactions in deposits with and without certificates or in debts.**

- (1) <sup>M1M2</sup>Subsection (2) below applies to the following rights—
  - (a) the right to receive the amount, with or without interest, stated in a certificate of deposit;
  - (b) the right to receive an amount payable with interest—
    - (i) in a transaction in which no certificate of deposit or security is issued, and
    - (ii) which is payable by a bank or similar institution or a person regularly engaging in similar transactions;
 and the right to receive that interest.

- (2) <sup>M3</sup>Profits or gains arising to a [<sup>F142</sup>company] from the disposal of a right to which this subsection applies or, except so far as it is a right to receive interest, from the exercise of any such right (whether by the person to whom the certificate was issued or by some other person, or, as the case may be, by the person who acquired the right in the transaction referred to in subsection (1) above or by some person acquiring it directly or indirectly from that person), shall, if not falling to be taken into account as a trading receipt, be treated as [<sup>F143</sup>an amount to which the charge to corporation tax on income applies].

- (3) <sup>M4</sup>Subsection (2) above [<sup>F144</sup>and section 551 of ITTOIA 2005 (charge to income tax on profits from disposal of deposit rights) do] not apply in the case of the disposal or exercise of a right to receive an amount stated in a certificate of deposit or interest on such an amount—
  - (a) if the [<sup>F145</sup>company] disposing of the right acquired it before 7th March 1973;
  - (b) to any profits or gains arising to a fund or scheme in the case of which provision is made by section [<sup>F146</sup>613(4) or 614(2) or (3) or section 186 of the Finance Act 2004] for exempting the whole or part of its income from income tax;
  - (c) <sup>F147</sup> .....

- [<sup>F148</sup>(3A) <sup>F149</sup> .....
- (3B) <sup>F149</sup> .....
- (3C) <sup>F149</sup> .....
- (3D) <sup>F149</sup> .....]
- (4) <sup>F150</sup> .....

- [<sup>F151</sup>(4A) This section and section 56A shall not apply for the purposes of corporation tax except in relation to rights in existence before 1st April 1996.

- (4B) For the purposes of corporation tax, where any profits or gains arising from the disposal or exercise of a right in existence before 1st April 1996 are, or (if there were any) would be, chargeable under this section, nothing in [<sup>F152</sup>Part 5 of CTA 2009] (loan relationships) shall require any amount relating to that disposal, or to the exercise of that right, to be brought into account for the purposes of [<sup>F152</sup>that Part].]

- (5) <sup>M5</sup> In this section—
  - “certificate of deposit” means a document relating to money, in any currency, which has been deposited with the issuer or some other person, being a document which recognises an obligation to pay a stated amount to bearer



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or to order, with or without interest, and being a document by the delivery of which, with or without endorsement, the right to receive that stated amount, with or without interest, is transferable; and

“security” has the same meaning as in section [F153]132 of the 1992 Act].

#### Textual Amendments

- F142** Word in s. 56(2) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 34(2)(a)** (with Sch. 2)
- F143** Words in s. 56(2) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 22(2)** (with Sch. 2 Pts. 1, 2)
- F144** Words in s. 56(3) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 34(3)(a)** (with Sch. 2)
- F145** Word in s. 56(3)(a) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 34(3)(b)** (with Sch. 2)
- F146** Words in s. 56(3)(b) substituted (6.4.2006) by Finance Act 2004 (c. 12), s. 284(1), **Sch. 35 para. 4** (with Sch. 36)
- F147** S. 56(3)(c) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 8, **Sch. 3 Pt. 1** (with Sch. 2)
- F148** S. 56(3A)-(3D) inserted (27.7.1993) by 1993 c. 34, s. 170, **Sch. 18 para. 2**
- F149** S. 56(3A)-(3D) repealed (with effect in accordance with s. 79(3) of the repealing Act) by Finance Act 2002 (c. 23), s. 141, **Sch. 40 Pt. 3(10)**, Note
- F150** S. 56(4) omitted (21.7.2008) by virtue of Finance Act 2008 (c. 9), **Sch. 17 para. 24(1)**
- F151** S. 56(4A)(4B) inserted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), s. 104, **Sch. 14 para. 6** (with Sch. 15)
- F152** Words in s. 56(4B) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 22(3)** (with Sch. 2 Pts. 1, 2)
- F153** Words in s. 56(5) substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 10 para. 14(3)** (with ss. 60, 101(1), 171, 201(3)).

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

- C2** S. 56(2) modified (24.2.2003) by Proceeds of Crime Act 2002 (c. 29), s. 458, **Sch. 10 para. 6** (with Sch. 10 para. 10); S.I. 2003/120, art. 2, **Sch.** (with arts. 3-7 (as amended by S.I. 2003/333, art. 14))

#### Marginal Citations

- M1** SOURCE-1973 s. 26(1)  
**M2** SOURCE-1974 s. 30(1)  
**M3** SOURCE-1973 s. 26(1); 1974 s. 30(1)  
**M4** SOURCE-1973 s. 26(1)(a)(b); 1975 (No. 2) s. 50(1)  
**M5** SOURCE-1973 s. 26(4); 1974 s. 30(2), (1); 1968 s. 55(3); 1979(C) Sch. 7

#### [F154]56A Disposal or exercise of rights in pursuance of deposits.

- (1) This section applies where there is an arrangement under which—
- there is a right to receive an amount (with or without interest) in pursuance of a deposit of money,
  - when the right comes into existence there is no certificate of deposit in respect of the right, and

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- (c) the person for the time being entitled to the right is entitled to call for the issue of a certificate of deposit in respect of the right.
- (2) In such a case—
  - (a) the right shall be treated as not falling within section 56(1)(b), and
  - (b) if there is a disposal or exercise of the right before such time (if any) as a certificate of deposit is issued in respect of it, section 56(2) shall apply to it by virtue of this paragraph.
- (3) In the application of section 56 by virtue of this section—
  - (a) subsection (2) shall have effect as if the words from “(whether” to “person)” read “(whether by the person originally entitled to the right or by some other person)”, and
  - (b) subsection (3) shall have effect as if the words “stated in a certificate of deposit” read “under an arrangement”.
- (4) In this section “certificate of deposit” has the meaning given by section 56(5).]

**Textual Amendments**  
**F154** S. 56A inserted (with application in relation to arrangements made after 16.7.1992) by [Finance \(No. 2\) Act 1992 \(c. 48\)](#), s. 34, Sch. 8 paras.1, 6.

**57 Deep discount securities.**

F155 .....

**Textual Amendments**  
**F155** S. 57 repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 41 Pt. 5\(3\)](#), Note

**58 Foreign pensions.**

F156 .....

**Textual Amendments**  
**F156** S. 58 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 8, [Sch. 8 Pt. 1](#) (with Sch. 7)

**59 Persons chargeable.**

- (1) F157 .....
- (2) F157 .....
- (3) F158 .....
- (4) F158 .....

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**Textual Amendments**

- F157** S. 59(1)(2) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 35\(2\), Sch. 3 \(with Sch. 2\)](#)
- F158** S. 59(3)(4) repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 292, Sch. 10 Pt. 13 \(with Sch. 9 Pts. 1, 2\)](#)

**CHAPTER II**

**INCOME TAX: BASIS OF ASSESSMENT ETC.**

*Cases I and II*

**60 Assessment on current year basis.**

**F159** .....

**Textual Amendments**

- F159** [Ss. 60-63A](#) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 36, Sch. 3 \(with Sch. 2\)](#)

**61 Basis of assessment at commencement.**

**F160** .....

**Textual Amendments**

- F160** [Ss. 60-63A](#) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 36, Sch. 3 \(with Sch. 2\)](#)

**62 Change of basis period.**

**F161** .....

**Textual Amendments**

- F161** [Ss. 60-63A](#) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 36, Sch. 3 \(with Sch. 2\)](#)

**[<sup>F162</sup>62A Conditions for such a change.**

**F163** .....]

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**Textual Amendments**

- F162** S. 62A inserted (with effect in accordance with s. 218 of the amending Act) by [Finance Act 1994 \(c. 9\)](#), [s. 203](#) (with [Sch. 20](#))
- F163** Ss. 60-63A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 36](#), [Sch. 3](#) (with [Sch. 2](#))

**63 Basis of assessment on discontinuance.**

**F164** .....

**Textual Amendments**

- F164** Ss. 60-63A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 36](#), [Sch. 3](#) (with [Sch. 2](#))

**[<sup>F165</sup> 63A Overlap profits and overlap losses.**

**F166** .....]

**Textual Amendments**

- F165** S. 63A inserted (with effect in accordance with s. 218 of the amending Act) by [Finance Act 1994 \(c. 9\)](#), [s. 205](#) (with [Sch. 20](#))
- F166** Ss. 60-63A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 36](#), [Sch. 3](#) (with [Sch. 2](#))

*Cases III, IV and V*

**64 Case III assessments.**

**F167** .....

**Textual Amendments**

- F167** S. 64 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 37](#), [Sch. 3](#) (with [Sch. 2](#))

**65 Cases IV and V assessments: general.**

**F168** .....

**Textual Amendments**

- F168** S. 65 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 38](#), [Sch. 3](#) (with [Sch. 2](#))

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[<sup>F169</sup> **65A Case V income from land outside UK: income tax.**

<sup>F170</sup> .....]

**Textual Amendments**

- F169** S. 65A inserted (with effect in accordance with s. 41(5)-(10) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 41\(2\)](#)
- F170** S. 65A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 39, Sch. 3 \(with Sch. 2\)](#)

**66 Special rules for fresh income.**

<sup>F171</sup> .....

**Textual Amendments**

- F171** S. 66 repealed (with effect in accordance with s. 218(1) of the repealing Act) by [Finance Act 1994 \(c. 9\), ss. 207\(4\), 258, Sch. 26 Pt. 5\(24\), Note 7 \(with Sch. 20\)](#)

**67 Special rules where source of income disposed of or yield ceases.**

<sup>F172</sup> .....

**Textual Amendments**

- F172** S. 67 repealed (with effect in accordance with s. 218(1) of the repealing Act) by [Finance Act 1994 \(c. 9\), ss. 207\(4\), 258, Sch. 26 Pt. 5\(24\), Note 7 \(with Sch. 20\)](#)

**68 Special rules where property etc. situated in Republic of Ireland.**

<sup>F173</sup> .....

**Textual Amendments**

- F173** S. 68 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 40, Sch. 3 \(with Sch. 2\)](#)

[<sup>F174</sup> **68A Share incentive plans: application of section 68B**

<sup>F175</sup> .....

**Textual Amendments**

- F174** Ss. 68A-68C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 10 \(with Sch. 7\)](#)
- F175** Ss. 68A-68C repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 41, Sch. 3 \(with Sch. 2\)](#)

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**68B Share incentive plans: cash dividends and dividend shares**

F176 .....

**Textual Amendments**  
F174 Ss. 68A-68C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), **Sch. 6 para. 10** (with [Sch. 7](#))  
F176 Ss. 68A-68C repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 41](#), **Sch. 3** (with [Sch. 2](#))

**68C Share incentive plans: interpretation**

F177 .....]

**Textual Amendments**  
F174 Ss. 68A-68C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), **Sch. 6 para. 10** (with [Sch. 7](#))  
F177 Ss. 68A-68C repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 41](#), **Sch. 3** (with [Sch. 2](#))

*Case VI*

**69 Case VI assessments.**

F178 .....

**Textual Amendments**  
F178 S. 69 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 42](#), **Sch. 3** (with [Sch. 2](#))

**CHAPTER III**

**CORPORATION TAX: BASIS OF ASSESSMENT ETC**

**70 Basis of assessment etc.**

F179 .....

**Textual Amendments**  
F179 S. 70 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 23](#), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))

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[<sup>F180</sup>**70A Case V income from land outside UK: corporation tax.**

<sup>F181</sup> .....]

**Textual Amendments**

**F180** S. 70A inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by [Finance Act 1998](#) (c. 36), s. 38(1), [Sch. 5 para. 25](#) (with [Sch. 5 para. 73](#))

**F181** S. 70A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009](#) (c. 4), [Sch. 1 para. 24](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**CHAPTER IV**

**PROVISIONS SUPPLEMENTARY TO CHAPTERS II AND III**

**71 Computation of income tax where no profits in year of assessment.**

<sup>F182</sup> .....

**Textual Amendments**

**F182** S. 71 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), [Sch. 1 para. 43](#), [Sch. 3](#) (with [Sch. 2](#))

**72 Apportionments etc. for purposes of Cases I, II and VI.**

<sup>F183</sup> .....

**Textual Amendments**

**F183** S. 72 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009](#) (c. 4), [Sch. 1 para. 25](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**73 Single assessments for purposes of Cases III, IV and V.**

<sup>F184</sup> .....

**Textual Amendments**

**F184** S. 73 repealed (with effect in accordance with s. 103(7) of the repealing Act) by [Finance Act 1995](#) (c. 4), ss. 115(09), 162, [Sch. 29 Pt. 8\(14\)](#), Note 2

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## CHAPTER V

### COMPUTATIONAL PROVISIONS

#### *Deductions*

#### 74 General rules as to deductions not allowable.

F185 .....

##### Textual Amendments

**F185** S. 74 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 26, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

#### 75 Expenses of management: companies with investment business

F186 .....

##### Textual Amendments

**F186** S. 75 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 27, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

#### [<sup>F187</sup>75A Accounting period to which expenses of management are referable

F188 .....]

##### Textual Amendments

**F187** S. 75A inserted (with effect in accordance with ss. 42, 43 of the amending Act) by Finance Act 2004 (c. 12), s. 39

**F188** S. 75A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 28, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

#### [<sup>F189</sup>75B Amounts reversing expenses of management deducted: charge to tax

F190 .....]

##### Textual Amendments

**F189** S. 75B inserted (22.7.2004) by Finance Act 2004 (c. 12), s. 45(1) (with s. 45(2)(3))

**F190** S. 75B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 29, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

#### 76 Expenses of insurance companies

F191 .....



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**Textual Amendments**

**F191** S. 76 omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 2](#) (with [Sch. 17](#))

*[<sup>F192</sup>Payments for restrictive undertakings*

**Textual Amendments**

**F192** S. 76ZA and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 31](#) (with [Sch. 2 Pts. 1, 2](#))

**76ZA Payments for restrictive undertakings**

**F193** .....]

**Textual Amendments**

**F193** S. 76ZA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 3](#) (with [Sch. 17](#))

*[<sup>F194</sup>Seconded employees*

**Textual Amendments**

**F194** S. 76ZB and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 32](#) (with [Sch. 2 Pts. 1, 2](#))

**76ZB Employees seconded to charities and educational establishments**

**F195** .....]

**Textual Amendments**

**F195** S. 76ZB omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 4](#) (with [Sch. 17](#))

*[<sup>F196</sup>Counselling and retraining expenses*

**Textual Amendments**

**F196** S. 76ZC and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 33](#) (with [Sch. 2 Pts. 1, 2](#))

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## 76ZC Counselling and other outplacement services

F197 .....

### Textual Amendments

**F197** Ss. 76ZC-76ZE omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 5** (with Sch. 17)

## [ Retraining courses

F198 76ZD F199 .....]

### Textual Amendments

**F198** S. 76ZD inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 34** (with Sch. 2 Pts. 1, 2)

**F199** Ss. 76ZC-76ZE omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 5** (with Sch. 17)

## [ Retraining courses: recovery of tax

F200 76ZE F201 .....]

### Textual Amendments

**F200** S. 76ZE inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 35** (with Sch. 2 Pts. 1, 2)

**F201** Ss. 76ZC-76ZE omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 5** (with Sch. 17)

*[<sup>F202</sup>Redundancy payments etc*

### Textual Amendments

**F202** S. 76ZF and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 36** (with Sch. 2 Pts. 1, 2)

## 76ZF Redundancy payments and approved contractual payments

F203 .....

### Textual Amendments

**F203** Ss. 76ZF-76ZJ omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 6** (with Sch. 17)

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**Payments in respect of employment wholly in employer's business**  
F204 76ZG F205 .....]

**Textual Amendments**

- F204** S. 76ZG inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 37** (with Sch. 2 Pts. 1, 2)
- F205** Ss. 76ZF-76ZJ omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 6** (with Sch. 17)

**Payments in respect of employment in more than one capacity**  
F206 76ZH F207 .....]

**Textual Amendments**

- F206** S. 76ZH inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 38** (with Sch. 2 Pts. 1, 2)
- F207** Ss. 76ZF-76ZJ omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 6** (with Sch. 17)

**Additional payments**  
F208 76ZI F209 .....]

**Textual Amendments**

- F208** S. 76ZI inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 39** (with Sch. 2 Pts. 1, 2)
- F209** Ss. 76ZF-76ZJ omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 6** (with Sch. 17)

**Payments by the Government**  
F210 76ZJ F211 .....]]

**Textual Amendments**

- F210** S. 76ZJ inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 40** (with Sch. 2 Pts. 1, 2)
- F211** Ss. 76ZF-76ZJ omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 6** (with Sch. 17)

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*[<sup>F212</sup>Contributions to local enterprise organisations or urban regeneration companies*

**Textual Amendments**

**F212** S. 76ZK and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 41 (with Sch. 2 Pts. 1, 2)

**76ZK Contributions to local enterprise organisations or urban regeneration companies**

<sup>F213</sup> .....]

**Textual Amendments**

**F213** S. 76ZK omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 16 para. 7 (with Sch. 17)

*[<sup>F214</sup>Unpaid remuneration*

**Textual Amendments**

**F214** S. 76ZL and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 42 (with Sch. 2 Pts. 1, 2)

**76ZL Unpaid remuneration**

- (1) This section applies if—
  - (a) an amount is charged in respect of employees' remuneration in the accounts for a period of a company to which section 76 applies,
  - (b) the amount would apart from this section be brought into account under section 76 as expenses payable, and
  - (c) the remuneration is not paid before the end of the period of 9 months immediately following the end of the period of account.
- (2) If the remuneration is paid after the end of that period of 9 months, the amount is brought into account for the period of account in which it is paid.
- (3) But—
  - (a) subsection (2) is subject to section 86 of FA 1989 (spreading of relief for acquisition expenses), and
  - (b) in interpreting that section the remuneration is treated as expenses payable which fall to be included at Step 1 in section 76(7) for the period of account in which the remuneration is paid.
- (4) The amount is not brought into account under section 76 as expenses payable if it is not paid.

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[<sup>F215</sup>76ZN Unpaid remuneration: supplementary]

- (1) For the purposes of section 76ZL an amount charged in the accounts in respect of employees' remuneration includes an amount for which provision is made in the accounts with a view to its becoming employees' remuneration.
- (2) For the purposes of section 76ZL it does not matter whether an amount is charged for—
  - (a) particular employments, or
  - (b) employments generally.
- (3) If the profits of the company are calculated before the end of the 9 month period mentioned in section 76ZL(1)(c)—
  - (a) it must be assumed, in making the calculation, that any remuneration which is unpaid when the calculation is made will not be paid before the end of that period, but
  - (b) if the remuneration is subsequently paid before the end of that period, nothing in this subsection prevents the calculation being revised and any tax return being amended accordingly.
- (4) For the purposes of this section and section 76ZL remuneration is paid when it—
  - (a) is treated as received by an employee for the purposes of ITEPA 2003 by section 18 or 19 of that Act (receipt of money and non-money earnings), or
  - (b) would be so treated if it were not exempt income.
- (5) In this section and section 76ZL—

“employee” includes an office-holder and “employment” therefore includes an office, and

“remuneration” means an amount which is or is treated as earnings for the purposes of Parts 2 to 7 of ITEPA 2003.]

**Textual Amendments**

**F215** S. 76ZM inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 43 (with Sch. 2 Pts. 1, 2)

[<sup>F216</sup>Car or motor cycle hire]

**Textual Amendments**

**F216** S. 76ZN and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 44 (with Sch. 2 Pts. 1, 2)

[<sup>F217</sup>76ZN Car or motor cycle hire

<sup>F218</sup> .....]

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**Textual Amendments**

- F217** S. 76ZN and cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 44](#) (with [Sch. 2 Pts. 1, 2](#))
- F218** S. 76ZN omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 9](#) (with [Sch. 17](#))

**[<sup>F219</sup>76ZO Hiring cars (but not motor cycles) with low CO<sub>2</sub> emissions before 1 April 2013**

<sup>F220</sup> .....

**Textual Amendments**

- F219** S. 76ZO inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 45](#) (with [Sch. 2 Pts. 1, 2](#))
- F220** S. 76ZO omitted (with effect in accordance with Sch. 11 paras. 65-67 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 11 para. 61](#)

**[<sup>F221</sup>76A Levies and repayments under the Financial Services and Markets Act 2000.**

<sup>F222</sup> .....

**Textual Amendments**

- F221** Ss. 76A, 76B inserted (1.12.2001) by [Financial Services and Markets Act 2000 \(c. 8\)](#), [ss. 411\(2\)](#), [431\(2\)](#); S.I. 2001/3538, [art. 2\(1\)](#)
- F222** S. 76A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 46](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**[<sup>F223</sup>76B Levies and repayments under the Financial Services and Markets Act 2000: investment companies.**

<sup>F224</sup> .....

**Textual Amendments**

- F223** Ss. 76A, 76B inserted (1.12.2001) by [Financial Services and Markets Act 2000 \(c. 8\)](#), [ss. 411\(2\)](#), [431\(2\)](#); S.I. 2001/3538, [art. 2\(1\)](#)
- F224** S. 76B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 47](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**77 Incidental costs of obtaining loan finance.**

<sup>F225</sup> .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F225** S. 77 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 47, Sch. 3](#) (with Sch. 2)

**78 Discounted bills of exchange.**

**F226** .....

**Textual Amendments**

**F226** S. 78 repealed with saving (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996 \(c. 8\), Sch. 14 para. 10, Sch. 41 Pt. 5\(3\)](#), Note (with Sch. 15)

**79 Contributions to local enterprise agencies.**

**F227** .....

**Textual Amendments**

**F227** S. 79 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 48, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

**[<sup>F228</sup>79A Contributions to training and enterprise councils and local enterprise companies.**

**F229** .....]

**Textual Amendments**

**F228** S. 79A inserted by [Finance Act 1990 \(c. 29\), s.76](#)  
**F229** S. 79A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 49, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

**[<sup>F230</sup>79B Contributions to urban regeneration companies**

**F231** .....]

**Textual Amendments**

**F230** S. 79B inserted (10.7.2003) by [Finance Act 2003 \(c. 14\), s. 180\(1\)](#)  
**F231** S. 79B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 50, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

**80 Expenses connected with foreign trades etc.**

**F232** .....

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### Textual Amendments

**F232** S. 80 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 51, Sch. 3](#) (with Sch. 2)

## 81 Travel between trades etc.

**F233** .....

### Textual Amendments

**F233** S. 81 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 52, Sch. 3](#) (with Sch. 2)

## 82 Interest paid to non-residents.

**F234** .....

### Textual Amendments

**F234** S. 82 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 53, Sch. 3](#) (with Sch. 2)

## [<sup>F235</sup>82A Expenditure on research and development.

**F236** .....]

### Textual Amendments

**F235** Ss. 82A, 82B inserted (with effect in accordance with s. 68(2) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 19 para. 5\(1\)](#) (with Sch. 19 para. 5(2)(3))

**F236** S. 82A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 51, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

## [<sup>F237</sup>82B Payments to research associations, universities etc.

**F238** .....]

### Textual Amendments

**F237** Ss. 82A, 82B inserted (with effect in accordance with s. 68(2) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 19 para. 5\(1\)](#) (with Sch. 19 para. 5(2)(3))

**F238** S. 82B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 52, Sch. 3 Pt. 1](#) (with Sch. 2 Pt. 12)



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### 83 Patent fees etc. and expenses.

F239 .....

#### Textual Amendments

**F239** S. 83 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 53, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

### [<sup>F240</sup>83A Gifts in kind to charities etc.

F241 .....]

#### Textual Amendments

**F240** S. 83A inserted (with effect in accordance with s. 55(3) of the amending Act) by Finance Act 1999 (c. 16), **s. 55(1)**

**F241** S. 83A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 54, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

### 84 Gifts to educational establishments.

F242 .....

#### Textual Amendments

**F242** S. 84 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 55, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

### [<sup>F243</sup>84A Costs of establishing share option or profit sharing schemes: relief.

F244 .....]

#### Textual Amendments

**F243** S. 84A inserted by Finance Act 1991 (c. 31), **s. 42**

**F244** S. 84A repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 7 para. 26, **Sch. 10 Pt. 12** (with Sch. 9)

### 85 Payments to trustees of approved profit sharing schemes.

F245 .....

#### Textual Amendments

**F245** S. 85 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 57, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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**[<sup>F246</sup>85A Costs of establishing employee share ownership trusts: relief.**

<sup>F247</sup> .....

**Textual Amendments**

**F246** S. 85A inserted by Finance Act 1991 (c. 31), s. 43

**F247** S. 85A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 58, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**[<sup>F248</sup>85B Approved share incentive plans**

<sup>F249</sup> .....

**Textual Amendments**

**F248** S. 85B inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), **Sch. 6 para. 12** (with Sch. 7)

**F249** S. 85B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 59, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**86 Employees seconded to charities and educational establishments.**

<sup>F250</sup> .....

**Textual Amendments**

**F250** S. 86 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 60, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**[<sup>F251</sup>86A Charitable donations: contributions to agent's expenses.**

<sup>F252</sup> .....

**Textual Amendments**

**F251** S. 86A inserted (27.7.1993) by Finance Act 1993 (c. 34), s. 69

**F252** S. 86A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 61, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**87 Taxable premiums etc.**

<sup>F253</sup> .....

**Textual Amendments**

**F253** S. 87 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 62, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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[<sup>F254</sup> **87A Section 87(2) and (3) and reductions in receipts under ITTOIA 2005**

F255 .....]

**Textual Amendments**

**F254** S. 87A inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 63](#) (with Sch. 2)

**F255** S. 87A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 62, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

**88 Payments to Export Credit Guarantee Department.**

F256 .....]

**Textual Amendments**

**F256** S. 88 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 63, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

[<sup>F257</sup> **88A Debts of overseas governments etc.**

F258 .....]

**Textual Amendments**

**F257** Ss. 88A-88C inserted by [Finance Act 1990 \(c. 29\), s. 74](#)

**F258** Ss. 88A-88C repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996 \(c. 8\), Sch. 41 Pt. 5\(3\)](#), Note (with Sch. 15)

[<sup>F259</sup> **88B Section 88A debts: restriction on deductions under section 74(j).**

F260 .....]

**Textual Amendments**

**F259** Ss. 88A-88C inserted by [Finance Act 1990 \(c. 29\), s. 74](#)

**F260** Ss. 88A-88C repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996 \(c. 8\), Sch. 41 Pt. 5\(3\)](#), Note (with Sch. 15)

[<sup>F261</sup> **88C Section 88A debts: restriction on other deductions.**

F262 .....]

**Textual Amendments**

**F261** Ss. 88A-88C inserted by [Finance Act 1990 \(c. 29\), s. 74](#)

*Status: Point in time view as at 19/07/2013.*

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**F262** Ss. 88A-88C repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 41 Pt. 5\(3\)](#), Note (with Sch. 15)

[<sup>F263</sup>**88D Restriction of deductions in respect of certain debts**

F264 .....]

**Textual Amendments**

**F263** S. 88D inserted (with effect in accordance with s. 80(3)(4) of the amending Act) by [Finance Act 2005 \(c. 7\)](#), [Sch. 4 para. 2](#)

**F264** S. 88D repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 64](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**89 Debts proving to be irrecoverable after discontinuance etc**

F265 .....

**Textual Amendments**

**F265** S. 89 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 65](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**90 Additional payments to redundant employees.**

F266 .....

**Textual Amendments**

**F266** S. 90 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 66](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**91 Cemeteries.**

F267 .....

**Textual Amendments**

**F267** S. 91 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 67](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

[<sup>F268</sup>**91A Waste disposal: restoration payments.**

F269 .....]

**Textual Amendments**

**F268** Ss. 91A, 91B inserted by [Finance Act 1990 \(c. 29\)](#), [s. 78](#)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**F269** S. 91A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 68, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

[<sup>F270</sup>**91B Waste disposal: preparation expenditure.**

F271 .....

**Textual Amendments**

**F270** Ss. 91A, 91B inserted by Finance Act 1990 (c. 29), s. 78

**F271** S. 91B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 69, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

[<sup>F272</sup>**91BA Waste disposal: entitlement of successor to allowances.**

F273 .....

**Textual Amendments**

**F272** S. 91BA inserted (28.7.2000) by Finance Act 2000 (c. 17), s. 89

**F273** S. 91BA repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 69, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

[<sup>F274</sup>**91C Mineral exploration and access.**

F275 .....

**Textual Amendments**

**F274** S. 91C inserted (with application in accordance with s. 66(3)(4) of the amending Act) by Finance Act 1997 (c. 16), s. 66(1)

**F275** S. 91C repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 70, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Treatment of regional development and other grants and debts released etc.*

**92 Regional development grants.**

F276 .....

**Textual Amendments**

**F276** S. 92 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 71, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**93 Other grants under Industrial Development Act 1982 etc.**

F277 .....

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F277** S. 93 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 72, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

### 94 Debts deducted and subsequently released.

**F278** .....

#### Textual Amendments

**F278** S. 94 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

### 95 [<sup>F279</sup>Taxation of dealers in respect of distributions etc.]

**F280** .....

#### Textual Amendments

**F279** S. 95 sidenote substituted (with effect in accordance with s. 24(15) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), s. 24\(9\)](#)

**F280** S. 95 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 74, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

### [<sup>F281</sup>95ZA] Taxation of UK distributions received by insurance companies

- (1) If the total amount of relevant distributions received by a company in an accounting period exceeds £50,000, those distributions are to be taken into account in calculating for corporation tax purposes the profits of the company in that period (and accordingly [<sup>F282</sup>[<sup>F283</sup>section 130(2)] of CTA 2009] does not apply in relation to those distributions).
- (2) A company (“company A”) receives a “relevant distribution” if—
  - (a) it receives a distribution made by a company <sup>F284</sup> . . . (“company B”),
  - (b) the value of the shares or stock in respect of which the distribution is made (“the holding”) is materially reduced by reason of the distribution,
  - (c) a profit on the sale of the holding (to anyone other than company B) would be taken into account in calculating company A's profits in respect of relevant insurance business, and
  - (d) either—
    - (i) the holding amounts to, or is an ingredient in a holding amounting to, 10% of all holdings of the same class in company B, or
    - (ii) the period between the acquisition by company A of the holding and that company first taking steps to dispose of the holding does not exceed 30 days.
- (3) In this section “relevant insurance business” means any kind of insurance business other than [<sup>F285</sup>business in relation to which section 111 of the Finance Act 2012 applies].

*Status: Point in time view as at 19/07/2013.*

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- (4) Section 177(7) of TCGA 1992 (provision supplementing provision corresponding to subsection (2)(d)(i) above) applies for the purposes of subsection (2)(d)(i).
- (5) Section 731(4) below (interpretation of “taking steps to dispose of securities”) applies for the purposes of subsection (2)(d)(ii) as if the reference to the securities were to the holding.]

**Textual Amendments**

- F281** S. 95ZA inserted (with effect in accordance with Sch. 17 para. 16(2) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 17 para. 16(1)**
- F282** Words in s. 95ZA(1) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 75** (with Sch. 2 Pts. 1, 2)
- F283** Words in s. 95ZA(1) substituted (with effect in accordance with Sch. 14 para. 31 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 14 para. 5(2)**
- F284** Words in s. 95ZA(2)(a) omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 5(3)**
- F285** Words in s. 95ZA(3) substituted (with effect in accordance with s. 148(1) of the amending Act) by Finance Act 2012 (c. 14), **Sch. 16 para. 10** (with Sch. 17)

*Special provisions*

[<sup>F286</sup>**95A Creative artists: relief for fluctuating profits**

F287 .....]

**Textual Amendments**

- F286** S. 95A inserted (11.5.2001) by Finance Act 2001 (c. 9), **s. 71(1)**
- F287** S. 95A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 75, **Sch. 3** (with Sch. 2)

**96 Farming and market gardening: relief for fluctuating profits.**

F288 .....

**Textual Amendments**

- F288** S. 96 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 76, **Sch. 3** (with Sch. 2)

**97 Treatment of farm animals etc.**

F289 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F289** S. 97 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), Sch. 1 para. 76, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**[<sup>F290</sup>98 Tied premises: receipts and expenses treated as those of trade.**

<sup>F291</sup> . . . . .]

**Textual Amendments**

**F290** S. 98 substituted (17.3.1998) by [Finance Act 1998 \(c. 36\)](#), s. **41(1)(3)** (with s. 41(4)-(7))

**F291** S. 98 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), Sch. 1 para. 77, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**99 Dealers in land.**

<sup>F292</sup> . . . . .

**Textual Amendments**

**F292** S. 99 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), Sch. 1 para. 78, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**CHAPTER VI**

DISCONTINUANCE <sup>F293</sup> . . .

**Textual Amendments**

**F293** Words in Pt. 4 Ch. 6 heading repealed (with application in accordance with Sch. 27 Pt. 3(6) Note of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), **Sch. 27 Pt. 3(6)**

*Valuation of trading stock etc.*

**100 Valuation of trading stock at discontinuance of trade.**

<sup>F294</sup> . . . . .

**Textual Amendments**

**F294** S. 100 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), Sch. 1 para. 79, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)



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**101 Valuation of work in progress at discontinuance of profession or vocation.**

F295 . . . . .

**Textual Amendments**

**F295** S. 101 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 80, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**102 Provisions supplementary to sections 100 and 101.**

F296 . . . . .

**Textual Amendments**

**F296** S. 102 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 81, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Case VI charges on receipts*

**103 Receipts after discontinuance: earnings basis charge and related charge affecting conventional basis.**

F297 . . . . .

**Textual Amendments**

**F297** Ss. 103-106 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 82, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**104 Conventional basis: general charge on receipts after discontinuance<sup>F298</sup> . . . .**

F299 . . . . .

**Textual Amendments**

**F298** Words in s. 104 sidenote repealed (with effect in accordance with Sch. 27 Pt. 3(6) Note of the repealing act) by Finance Act 1998 (c. 36), **Sch. 27 Pt. 3(6)**

**F299** Ss. 103-106 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 82, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**105 Allowable deductions.**

F300 . . . . .

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F300** Ss. 103-106 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 82, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**106 Application of charges where rights to payments transferred.**

**F301** .....

**Textual Amendments**

**F301** Ss. 103-106 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 82, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Reliefs*

**107 Treatment of receipts as earned income.**

**F302** .....

**Textual Amendments**

**F302** S. 107 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 86, **Sch. 3** (with Sch. 2)

**108 Election for carry-back.**

**F303** .....

**Textual Amendments**

**F303** S. 108 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 87, **Sch. 3** (with Sch. 2)

**109 Charge under section 104: relief for individuals born before 6th April 1917.**

**F304** .....

**Textual Amendments**

**F304** S. 109 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 88, **Sch. 3** (with Sch. 2)

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### *[<sup>F305</sup> Relief for post-cessation expenditure*

#### **Textual Amendments**

**F305** S. 109A and preceding cross-heading inserted (with effect in accordance with s. 90(7) of the amending Act) by Finance Act 1995 (c. 4), s. 90(1)

### **109A Relief for post-cessation expenditure.**

F306 .....]

#### **Textual Amendments**

**F306** S. 109A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 11, Sch. 3 Pt. 1 (with Sch. 2)

### *Supplemental*

### **110 Interpretation etc.**

F307 .....

#### **Textual Amendments**

**F307** S. 110 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 83, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

### *[<sup>F308</sup> [<sup>F309</sup> Change of residence]*

#### **Textual Amendments**

**F308** S. 110A and preceding cross-heading inserted (with effect in accordance with s. 124(2) of the amending Act) by Finance Act 1995 (c. 4), s. 124(1)

**F309** S. 110A and preceding cross-heading repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 91, Sch. 3 (with Sch. 2)

### **110A Change of residence.**

F310 .....]

#### **Textual Amendments**

**F310** S. 110A and preceding cross-heading repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 91, Sch. 3 (with Sch. 2)

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## CHAPTER VII

### PARTNERSHIPS AND SUCCESSIONS

#### *General*

**[<sup>F311</sup>111 Treatment of partnerships.**

- (1) <sup>F312</sup> .....
- (2) <sup>F313</sup> .....
- (3) <sup>F313</sup> .....
- (4) <sup>F313</sup> .....
- (5) <sup>F313</sup> .....
- (6) <sup>F313</sup> .....
- (7) <sup>F313</sup> .....
- (8) <sup>F313</sup> .....
- (9) <sup>F313</sup> .....
- (10) <sup>F313</sup> .....
- (11) <sup>F313</sup> .....
- (12) <sup>F313</sup> .....
- (13) <sup>F313</sup> .....]

**Textual Amendments**

**F311** S. 111 substituted (with effect in accordance with s. 215(4)(5) of the 1994 amending Act) by [Finance Act 1994 \(c. 9\), s. 215\(1\)](#) (as amended (retrospectively) by [Finance Act 1995 c. 4, s. 117\(1\)\(a\)\(2\)\(4\)](#)) (with Sch. 20)

**F312** S. 111(1) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 84, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**F313** S. 111(2)-(13) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 92\(3\), Sch. 3](#) (with [Sch. 2](#))

**112 Partnerships controlled abroad.**

- <sup>F314</sup> .....

**Textual Amendments**

**F314** S. 112 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 93, Sch. 3](#) (with [Sch. 2](#))

*Status: Point in time view as at 19/07/2013.*

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### 113 Effect, for income tax, of change in ownership of trade, profession or vocation.

F315 .....

#### Textual Amendments

**F315** S. 113 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 94, Sch. 3](#) (with [Sch. 2](#))

#### *Partnerships involving companies*

### 114 Special rules for computing profits and losses.

F316 .....

#### Textual Amendments

**F316** S. 114 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 85, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

### 115 Provisions supplementary to section 114.

F317 .....

#### Textual Amendments

**F317** S. 115 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 85, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

### 116 Arrangements for transferring relief.

F318 .....

#### Textual Amendments

**F318** S. 116 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 11, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### *Limited partners*

### 117 Restriction on relief: individuals.

F319 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F319** S. 117 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 13, Sch. 3 Pt. 1](#) (with Sch. 2)

**118 Restriction on relief: companies.**

F320 .....

**Textual Amendments**

**F320** Ss. 118-118ZD repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 12, Sch. 3 Pt. 1](#) (with Sch. 2)

*<sup>F321</sup>Limited liability partnerships*

**Textual Amendments**

**F321** Ss. 118ZA-118ZD and preceding cross-heading inserted (6.4.2001) by [Limited Liability Partnerships Act 2000 \(c. 12\), ss. 10\(1\), 19\(1\); S.I. 2000/3316, art. 2](#)

**118ZA Treatment of limited liability partnerships.**

F322 .....

**Textual Amendments**

**F322** S. 118ZA repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 87, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

**118ZB Restriction on relief: companies**

F323 .....

**Textual Amendments**

**F323** Ss. 118-118ZD repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 12, Sch. 3 Pt. 1](#) (with Sch. 2)

**118ZC Member’s contribution to trade.**

F324 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F324** Ss. 118-118ZD repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 12, **Sch. 3 Pt. 1** (with Sch. 2)

**118ZD Carry forward of unrelieved losses.**

F325 .....]

**Textual Amendments**

**F325** Ss. 118-118ZD repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 12, **Sch. 3 Pt. 1** (with Sch. 2)

*f<sup>F326</sup> Non-active general partners and non-active members of limited liability partnerships*

**Textual Amendments**

**F326** Ss. 118ZE-118ZK and preceding cross-heading inserted (22.7.2004) by Finance Act 2004 (c. 12), s. 124(1)

**118ZE Restriction on relief for non-active partners**

F327 .....

**Textual Amendments**

**F327** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 18, **Sch. 3 Pt. 1** (with Sch. 2)

**118ZF Meaning of “the aggregate amount”**

F328 .....

**Textual Amendments**

**F328** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 18, **Sch. 3 Pt. 1** (with Sch. 2)

**118ZG “The individual’s contribution to the trade”**

F329 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F329** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 18](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**118ZH “A significant amount of time”**

**F330** .....

**Textual Amendments**

**F330** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 18](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**118ZI Carry forward of unrelieved losses of non-active partners**

**F331** .....

**Textual Amendments**

**F331** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 18](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**18ZJ Commencement: the first restricted year**

**F332** .....

**Textual Amendments**

**F332** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 18](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**118ZK Transitional provision for years after the first restricted year**

**F333** .....]

**Textual Amendments**

**F333** Ss. 118ZE-118ZK repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 18](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))



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*[<sup>F334</sup>Partnerships exploiting films*

**Textual Amendments**

**F334** Ss. 118ZL, 118ZM and preceding cross-heading inserted (22.7.2004) by [Finance Act 2004 \(c. 12\)](#), s. 125

**118ZL Partnerships exploiting films**

F335 .....

**Textual Amendments**

**F335** Ss. 118ZL, 118ZM repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 19, [Sch. 3 Pt. 1](#) (with Sch. 2)

**118ZM Partnerships exploiting films: supplementary**

F336 .....]

**Textual Amendments**

**F336** Ss. 118ZL, 118ZM repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 19, [Sch. 3 Pt. 1](#) (with Sch. 2)

*[<sup>F337</sup>Partners: meaning of “contribution to the trade”*

**Textual Amendments**

**F337** Ss. 118ZN, 118ZO and preceding cross-heading inserted (retrospective to 2.12.2004) by [Finance Act 2005 \(c. 7\)](#), s. 73(1)(5)

**118ZN Partners: meaning of “contribution to the trade”**

F338 .....

**Textual Amendments**

**F338** Ss. 118ZN, 118ZO repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 20, [Sch. 3 Pt. 1](#) (with Sch. 2)

**118ZO Meaning of “relevant loss” in section 118ZN**

F339 .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F339** Ss. 118ZN, 118ZO repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 20](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F340</sup>[<sup>F341</sup>CHAPTER VIIA

PAYING AND COLLECTING AGENTS]

**Textual Amendments**

**F340** Pt. 4 Ch. 7A (ss. 118A-118K) inserted (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), [Sch. 29 para. 1](#)

**F341** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), s. 111(1), [Sch. 40 Pt. 2\(17\)](#), Note 1

**118A Definitions.**

F342 .....

**Textual Amendments**

**F342** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), s. 111(1), [Sch. 40 Pt. 2\(17\)](#), Note 1

**118B Paying agents.**

F343 .....

**Textual Amendments**

**F343** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), s. 111(1), [Sch. 40 Pt. 2\(17\)](#), Note 1

**118C Collecting agents.**

F344 .....

**Textual Amendments**

**F344** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), s. 111(1), [Sch. 40 Pt. 2\(17\)](#), Note 1

**118D Chargeable payments and chargeable receipts.**

F345 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F345** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118E Deduction of tax from chargeable payments and chargeable receipts.**

F346 .....

**Textual Amendments**

**F346** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118F Accounting for tax on chargeable payments and chargeable receipts.**

F347 .....

**Textual Amendments**

**F347** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118G Relevant securities of eligible persons.**

F348 .....

**Textual Amendments**

**F348** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118H Relevant securities of eligible persons: administration.**

F349 .....

**Textual Amendments**

**F349** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118I Deduction of tax at reduced rate.**

F350 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F350** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118J Prevention of double accounting.**

F351 .....

**Textual Amendments**

**F351** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**118K Regulations.**

F352 .....]

**Textual Amendments**

**F352** Pt. 4 Ch. 7A (ss. 118A-118K) repealed (with effect in accordance with s. 111(6)(a) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(1), Sch. 40 Pt. 2(17), Note 1

**CHAPTER VIII**

MISCELLANEOUS AND SUPPLEMENTAL

**119 Rent etc. payable in connection with mines, quarries and similar concerns.**

F353 .....

**Textual Amendments**

**F353** S. 119 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 88, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**120 Rent etc. payable in respect of electric line wayleaves.**

F354 .....

**Textual Amendments**

**F354** S. 120 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 89, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

*Status: Point in time view as at 19/07/2013.*

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## 121 Management expenses of owner of mineral rights.

F355 .....

### Textual Amendments

**F355** S. 121 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 90, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

## 122 Relief in respect of mineral royalties.

F356 .....

### Textual Amendments

**F356** S. 122 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 91, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

## 123 Foreign dividends.

F357 .....

### Textual Amendments

**F357** S. 123 repealed (with effect in accordance with Sch. 7 para. 32 of the repealing Act) by Finance Act 1996 (c. 8), Sch. 7 para. 13, **Sch. 41 Pt. 5(2)**, Note (with Sch. 7 paras. 33-35)

## 124 Interest on quoted Eurobonds.

F358 .....

### Textual Amendments

**F358** S. 124 repealed (with effect in accordance with s. 111(6)(b) of the repealing Act) by Finance Act 2000 (c. 17), s. 111(2), **Sch. 40 Pt. 2(17)**, Note 2

## 125 [<sup>F359</sup>Annual payments for dividends or non-taxable consideration]

F360 .....

### Textual Amendments

**F359** S. 125 title substituted (retrospective to 2.12.2004) by virtue of Finance Act 2005 (c. 7), s. **91(3)**  
**F360** S. 125 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 92, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

*Status: Point in time view as at 19/07/2013.*

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## 126 Treasury securities issued at a discount.

F361 .....

### Textual Amendments

**F361** Ss. 126, 126A repealed (with effect in accordance with s. 105(1) of the repealing Act) by Finance Act 1996, Sch. 41 Pt. 5(3), Note

## 126A Charge to tax on appropriation of securities and bonds.

F362 .....

### Textual Amendments

**F362** Ss. 126, 126A repealed (with effect in accordance with s. 105(1) of the repealing Act) by Finance Act 1996, Sch. 41 Pt. 5(3), Note

## 127 Enterprise allowance.

F363 .....

### Textual Amendments

**F363** S. 127 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 108, Sch. 3](#) (with Sch. 2)

## [<sup>F364</sup>127A] Futures and options: transactions with guaranteed returns.

F365 .....]

### Textual Amendments

**F364** S. 127A inserted (with effect in accordance with s. 80(6) of the amending Act) by [Finance Act 1997 \(c. 16\), s. 80\(1\)](#)

**F365** S. 127A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 109, Sch. 3](#) (with Sch. 2)

## 128 Commodity and financial futures etc.: losses and gains.

(1) <sup>F366</sup> .....

[<sup>F367</sup>(2) <sup>F368</sup> .....

(3) <sup>F368</sup> .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

#### Textual Amendments

- F366** S. 128(1) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 110, Sch. 3 \(with Sch. 2\)](#)
- F367** S. 128(2) inserted (with effect in accordance with s. 83(3) of the amending Act) by [Finance Act 2002 \(c. 23\), Sch. 27 para. 3\(2\) \(with Sch. 28\)](#)
- F368** S. 128(2)(3) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 93, Sch. 3 Pt. 1 \(with Sch. 2 Pts. 1, 2\)](#)

### 129 Stock lending.

**F369** .....

#### Textual Amendments

- F369** Ss. 129, 129A repealed (with effect in accordance with Sch. 10 para. 7(1) of the repealing Act) by [Finance Act 1997 \(c. 16\), Sch. 10 para. 1, Sch. 18 Pt. 6\(10\), Note 1; S.I. 1997/991, art. 2](#)

### [<sup>F370</sup>129A] Stock lending: interest on cash collateral.

**F371** .....

#### Textual Amendments

- F370** S. 129A inserted (with application in accordance with s. 85(3) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 85\(1\)](#)
- F371** Ss. 129, 129A repealed (with effect in accordance with Sch. 10 para. 7(1) of the repealing Act) by [Finance Act 1997 \(c. 16\), Sch. 10 para. 1, Sch. 18 Pt. 6\(10\), Note 1; S.I. 1997/991, art. 2](#)

### [<sup>F372</sup>129B] Stock lending fees.

- (1) The income which, as income deriving from investments of a description specified in any of the relevant provisions, is eligible for relief from tax by virtue of that provision shall be taken to include any relevant stock lending fee.
- (2) For the purposes of this section the relevant provisions are [<sup>F373</sup>sections 613(4) and 614(3) and section 186 of the Finance Act 2004].
- (3) In this section “relevant stock lending fee”, in relation to investments of any description, means any amount, in the nature of a fee, which is payable in connection with [<sup>F374</sup>any] stock lending arrangement relating to investments which, but for any transfer under the arrangement, would be investments of that description.
- [<sup>F375</sup>(4) In this section “stock lending arrangement” has the same meaning as in section 263B of the 1992 Act.]

#### Textual Amendments

- F372** S. 129B inserted (with effect in accordance with s. 157(2) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 157\(1\)](#)

*Status: Point in time view as at 19/07/2013.*

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- F373** Words in s. 129B(2) substituted (6.4.2006) by Finance Act 2004 (c. 12), s. 284(1), **Sch. 35 para. 6** (with Sch. 36)
- F374** Word in s. 129B(3) substituted (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by Finance Act 1997 (c. 16), **Sch. 10 para. 2(1)**; S.I. 1997/991, **art. 2**
- F375** S. 129B(4) substituted (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by Finance Act 1997 (c. 16), **Sch. 10 para. 2(2)**; S.I. 1997/991, **art. 2**

### 130 [<sup>F376</sup>Meaning of “investment company” in Part 4]

<sup>M6</sup>In this Part of this Act [<sup>F377</sup>—

<sup>F378</sup>.....]

“investment company”, means any company whose business consists wholly or mainly in the making of investments and the principal part of whose income is derived therefrom, but includes any savings bank or other bank for savings except any which, for the purposes of the <sup>M7</sup>Trustee Savings Bank Act 1985, is a successor or a further successor to a trustee savings bank.

#### Textual Amendments

- F376** S. 130 title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 94(3)** (with Sch. 2 Pts. 1, 2)
- F377** S. 130: definition of “company with investment business” inserted (with effect in accordance with ss. 38(5), 42, 43 of the amending Act) by Finance Act 2004 (c. 12), **s. 38(3)**
- F378** S. 130: definition of “company with investment business” repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 94(2)**, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

#### Marginal Citations

- M6** Source—1970 s.304(5); 1980 Sch.11
- M7** 1985 c. 58.

## PART V

### PROVISIONS RELATING TO THE SCHEDULE E CHARGE

#### CHAPTER I

#### SUPPLEMENTARY CHARGING PROVISIONS OF GENERAL APPLICATION

##### *Miscellaneous provisions*

### 131 Chargeable emoluments.

<sup>F379</sup>.....



*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F379** Ss. 131-134 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 14, Sch. 8 Pt. 1](#) (with Sch. 7)

**132 Place of performance, and meaning of emoluments received in the U.K.**

**F380** .....

**Textual Amendments**

**F380** Ss. 131-134 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 14, Sch. 8 Pt. 1](#) (with Sch. 7)

**133 Voluntary pensions.**

**F381** .....

**Textual Amendments**

**F381** Ss. 131-134 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 14, Sch. 8 Pt. 1](#) (with Sch. 7)

**134 Workers supplied by agencies.**

**F382** .....

**Textual Amendments**

**F382** Ss. 131-134 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 14, Sch. 8 Pt. 1](#) (with Sch. 7)

*Shareholdings, loans etc.*

**135 Gains by directors and employees from share options.**

**F383** .....

**Textual Amendments**

**F383** Ss. 135-137 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 15, Sch. 8 Pt. 1](#) (with Sch. 7)

**136 Provisions supplementary to section 135.**

**F384** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F384** Ss. 135-137 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 15, **Sch. 8 Pt. 1** (with Sch. 7)

**137 Payment of tax under section 135 by instalments.**

F385 .....

**Textual Amendments**

**F385** Ss. 135-137 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 15, **Sch. 8 Pt. 1** (with Sch. 7)

**138 Share acquisitions by directors and employees.**

F386 .....

**Textual Amendments**

**F386** Ss. 138, 139 omitted (with effect in accordance with s. 50(3) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **s. 50(1)**

<sup>F387</sup>**139 Provisions supplementary to section 138.**

.....

**Textual Amendments**

**F387** Ss. 138, 139 omitted (with effect in accordance with s. 50(3) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **s. 50(1)**

**140 Further interpretation of sections 135 to 139.**

F388 .....

**Textual Amendments**

**F388** S. 140 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 17, **Sch. 8 Pt. 1** (with s. 418(4), Sch. 7)

[<sup>F389</sup>**140A** Conditional acquisition of shares.

F390 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F389** Ss. 140A-140C inserted (with application in accordance with s. 50(4) of the amending Act) by Finance Act 1998 (c. 36), s. 50(1)
- F390** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, Sch. 8 Pt. 1 (with Sch. 7)

**140B Consideration for shares conditionally acquired.**

F391 .....

**Textual Amendments**

- F389** Ss. 140A-140C inserted (with application in accordance with s. 50(4) of the amending Act) by Finance Act 1998 (c. 36), s. 50(1)
- F391** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, Sch. 8 Pt. 1 (with Sch. 7)

**140C Cases where interest to be treated as only conditional.**

F392 .....]

**Textual Amendments**

- F389** Ss. 140A-140C inserted (with application in accordance with s. 50(4) of the amending Act) by Finance Act 1998 (c. 36), s. 50(1)
- F392** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, Sch. 8 Pt. 1 (with Sch. 7)

[<sup>F393</sup>**140D** Convertible shares.

F394 .....

**Textual Amendments**

- F393** Ss. 140D-140F inserted (with application in accordance with s. 51(3) of the amending Act) by Finance Act 1998 (c. 36), s. 51(1)
- F394** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, Sch. 8 Pt. 1 (with Sch. 7)

**140E Consideration for convertible shares.**

F395 .....

**Textual Amendments**

- F393** Ss. 140D-140F inserted (with application in accordance with s. 51(3) of the amending Act) by Finance Act 1998 (c. 36), s. 51(1)

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**F395** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, **Sch. 8 Pt. 1** (with Sch. 7)

## 140F Supplemental provision with respect to convertible shares.

**F396** .....]

### Textual Amendments

**F393** Ss. 140D-140F inserted (with application in accordance with s. 51(3) of the amending Act) by Finance Act 1998 (c. 36), **s. 51(1)**

**F396** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F397</sup>140G Information for the purposes of sections 140A to 140F.

**F398** .....]

### Textual Amendments

**F397** S. 140G inserted (31.7.1998) by Finance Act 1998 (c. 36), **s. 52(1)**

**F398** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F399</sup>140H Construction of sections 140A to 140G.

**F400** .....]

### Textual Amendments

**F399** S. 140H inserted (31.7.1998) by Finance Act 1998 (c. 36), **s. 53**

**F400** Ss. 140A-140H repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 18, **Sch. 8 Pt. 1** (with Sch. 7)

*Vouchers etc.*

## 141 Non-cash vouchers.

**F401** .....

### Textual Amendments

**F401** Ss. 141-144 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 19, **Sch. 8 Pt. 1** (with Sch. 7)

## 142 Credit-tokens.

**F402** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F402** Ss. 141-144 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 19, Sch. 8 Pt. 1](#) (with Sch. 7)

**143 Cash vouchers taxable under P.A.Y.E.**

**F403** .....

**Textual Amendments**

**F403** Ss. 141-144 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 19, Sch. 8 Pt. 1](#) (with Sch. 7)

**144 Supplementary provisions.**

**F404** .....

**Textual Amendments**

**F404** Ss. 141-144 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 19, Sch. 8 Pt. 1](#) (with Sch. 7)

**[<sup>F405</sup>144A Payments etc. received free of tax.**

**F406** .....]

**Textual Amendments**

**F405** S. 144A inserted (3.5.1994) by [Finance Act 1994 \(c. 9\), s. 132](#)  
**F406** S. 144A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 20, Sch. 8 Pt. 1](#) (with Sch. 7)

*Living accommodation*

**145 Living accommodation provided for employee.**

**F407** .....

**Textual Amendments**

**F407** Ss. 145-147 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 21, Sch. 8 Pt. 1](#) (with Sch. 7)

**146 Additional charge in respect of certain living accommodation.**

**F408** .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F408** Ss. 145-147 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 21, Sch. 8 Pt. 1](#) (with Sch. 7)

**[<sup>F409</sup>146A Priority of rules applying to living accommodation.**

**F410** .....

**Textual Amendments**

**F409** S. 146A inserted (with application in accordance with s. 106(3) of the amending Act) by [Finance Act 1996 \(c. 8\), s. 106\(2\)](#)

**F410** Ss. 145-147 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 21, Sch. 8 Pt. 1](#) (with Sch. 7)

**147 Occupation of Chevening House.**

**F411** .....

**Textual Amendments**

**F411** Ss. 145-147 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 21, Sch. 8 Pt. 1](#) (with Sch. 7)

*Payments on retirement, sick pay etc.*

**148 Payments and other benefits in connection with termination of employment, etc.**

**F412** .....

**Textual Amendments**

**F412** Ss. 148-151A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 22, Sch. 8 Pt. 1](#) (with Sch. 7)

**149 Sick pay.**

**F413** .....

**Textual Amendments**

**F413** Ss. 148-151A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 22, Sch. 8 Pt. 1](#) (with Sch. 7)

*Status: Point in time view as at 19/07/2013.*

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**150 Job release scheme allowances, maternity pay and statutory sick pay.**

F414 .....

**Textual Amendments**

**F414** Ss. 148-151A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 22, **Sch. 8 Pt. 1** (with Sch. 7)

**151 Income support etc.**

F415 .....

**Textual Amendments**

**F415** Ss. 148-151A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 22, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F416</sup>**151A]Jobseeker's allowance.**

F417 .....]

**Textual Amendments**

**F416** S. 151A inserted (2.9.1996) by Jobseekers Act 1995 (c. 18), s. 41(2)(4), **Sch. 2 para. 12**; S.I. 1996/2208, **art. 2(a)**

**F417** Ss. 148-151A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 22, **Sch. 8 Pt. 1** (with Sch. 7)

**152 [<sup>F418</sup>Notification of taxable amount of certain benefits].**

F419 .....

**Textual Amendments**

**F418** S. 152 sidenote substituted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), **Sch. 6 para. 23** (with Sch. 7)

**F419** S. 152 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 7 para. 34, **Sch. 10 Pt. 12** (with Sch. 9)

**CHAPTER II**

[<sup>F420</sup>**EMPLOYEES EARNING £8,500 OR MORE AND DIRECTORS]**

**Textual Amendments**

**F420** Pt. 5 Ch. 2 heading substituted by Finance Act 1989 (c. 26), **s. 53(2)(a)**

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

*Expenses*

**153    Payments in respect of expenses.**

F421 .....

**Textual Amendments**  
F421 Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

*Benefits in kind*

**154    General charging provision.**

F422 .....

**Textual Amendments**  
F422 Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**155    Exceptions from the general charge.**

F423 .....

**Textual Amendments**  
F423 Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F424</sup>**155ZA** **Accommodation, supplies or services used in performing duties of employment.**

F425 .....]

**Textual Amendments**  
F424 S. 155ZA inserted (with effect in accordance with s. 57(2) of the amending Act) by Finance Act 2000 (c. 17), s. 57(1), **Sch. 10 para. 2(1)**  
F425 Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F426</sup>**155ZB** **Power to provide for exemption of minor benefits.**

F427 .....]



*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F426** S. 155ZB inserted (with effect in accordance with s. 57(2) of the amending Act) by Finance Act 2000 (c. 17), s. 57(1), **Sch. 10 para. 3(1)**
- F427** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F428</sup>**155A**Mobile telephones.

<sup>F429</sup> .....

**Textual Amendments**

- F428** S. 155AA inserted (with effect in accordance with s. 44(6) of the amending Act) by Finance Act 1999 (c. 16), s. 44(1)
- F429** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F430</sup>**155AC**Care for children.

<sup>F431</sup> .....

**Textual Amendments**

- F430** S. 155A inserted (1990-91 and subsequent years of assessment) by Finance Act 1990 (c. 29), s. 21(1) (3)
- F431** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**156 Cash equivalent of benefits charged under section 154.**

<sup>F432</sup> .....

**Textual Amendments**

- F432** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F433</sup>**156A**Limited exemption for computer equipment.

<sup>F434</sup> .....

**Textual Amendments**

- F433** S. 156A inserted (with application in accordance with s. 45(3) of the amending Act) by Finance Act 1999 (c. 16), s. 45(1)
- F434** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

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## 157 Cars available for private use.

F435 .....

### Textual Amendments

**F435** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F436</sup>157A Cars available for private use: cash alternative, etc.

F437 .....]

### Textual Amendments

**F436** S. 157A inserted (with effect in accordance with s. 43(4) of the amending Act) by Finance Act 1995 (c. 4), s. 43(1)

**F437** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

## 158 Car fuel.

F438 .....

### Textual Amendments

**F438** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

## 159 Pooled cars.

F439 .....

### Textual Amendments

**F439** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F440</sup>159AA Cars available for private use.

F441 .....]

### Textual Amendments

**F440** Ss. 159AA, 159AB inserted after s. 159 (27.7.1993 with effect for the year 1993-94 and subsequent years of assessment) by 1993 c. 34, s. 73, Sch. 4 paras. 4, 8

**F441** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

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**F442 159AB** Boiled vans.

F443 .....

**Textual Amendments**

**F442** Ss. 159AA, 159AB inserted after s. 159 (27.7.1993 with effect for the year 1993-94 and subsequent years of assessment) by 1993 c. 34, s. 73, Sch. 4 paras. 4, 8

**F443** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, Sch. 8 Pt. 1 (with Sch. 7)

**[F444 159AC** Heavier commercial vehicles available for private use.

F445 .....]

**Textual Amendments**

**F444** S. 159AC inserted (27.7.1993 with effect for the year 1993-94 and subsequent years of assessment) by 1993 c. 34, s. 74(1)(3)

**F445** Ss. 153-159AC repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, Sch. 8 Pt. 1 (with Sch. 7)

**[F446 159A** .....

F447 .....]

**Textual Amendments**

**F446** S. 159A inserted (1991-92 and subsequent years of assessment) by Finance Act 1991 (c. 31), s. 30(2)(3)

**F447** S. 159A repealed (with effect in accordance with s. 44(6) of the repealing Act) by Finance Act 1999 (c. 16), ss. 44(2), 139, Sch. 20 Pt. 3(9), Note

**160 Beneficial loan arrangements.**

F448 .....

**Textual Amendments**

**F448** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, Sch. 8 Pt. 1 (with Sch. 7)

**161 Exceptions from section 160.**

F449 .....

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F449** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 24](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

### [<sup>F450</sup> 161A] Treatment of qualifying loans.

<sup>F451</sup> .....

#### Textual Amendments

**F450** S. 161A inserted (with effect in accordance with s. 57(2) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), s. 57(1), [Sch. 10 para. 4\(1\)](#)

**F451** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 24](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

### [<sup>F452</sup> 161B] Beneficial loans: loans on ordinary commercial terms.

<sup>F453</sup> .....

#### Textual Amendments

**F452** S. 161B inserted (with effect in accordance with s. 57(2) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), s. 57(1), [Sch. 10 para. 5\(1\)](#)

**F453** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 24](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

### 162 Employee shareholdings.

<sup>F454</sup> .....

#### Textual Amendments

**F454** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 24](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

### 163 Expenses connected with living accommodation.

<sup>F455</sup> .....

#### Textual Amendments

**F455** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 24](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

*Status: Point in time view as at 19/07/2013.*

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**164 Director’s tax paid by employer.**

F456 .....

**Textual Amendments**

**F456** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**165 Scholarships.**

F457 .....

**Textual Amendments**

**F457** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

*General supplementary provisions*

**166 Notice of nil liability under this Chapter.**

F458 .....

**Textual Amendments**

**F458** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**167 Employment to which this Chapter applies.**

F459 .....

**Textual Amendments**

**F459** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**168 Other interpretative provisions.**

F460 .....

**Textual Amendments**

**F460** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

*Status: Point in time view as at 19/07/2013.*

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**[<sup>F461</sup>168A] Price of a car as regards a year.**

<sup>F462</sup> .....

**Textual Amendments**

**F461** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7

**F462** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**[<sup>F463</sup>168AA] Equipment to enable disabled person to use car.**

<sup>F464</sup> .....

**Textual Amendments**

**F463** S. 168AA inserted (with effect in accordance with s. 44(3) of the amending Act) by Finance Act 1995 (c. 4), s. 44(2)

**F464** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**[<sup>F465</sup>168AB] Equipment etc. to enable car to run on road fuel gas.**

<sup>F466</sup> .....

**Textual Amendments**

**F465** S. 168AB inserted (with effect in accordance with s. 60(6) of the amending Act) by Finance Act 1998 (c. 36), s. 60(3)

**F466** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**<sup>F467</sup>168B] Price of a car: accessories not included in list price.**

<sup>F468</sup> .....

**Textual Amendments**

**F467** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7

**F468** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**<sup>F469</sup>168C] Price of a car: accessories available after car first made available.**

<sup>F470</sup> .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F469** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7
- F470** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**F471 168D Price of a car: capital contributions.**

**F472** .....

**Textual Amendments**

- F471** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7
- F472** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**F473 168E Price of a car: replacement accessories.**

**F474** .....

**Textual Amendments**

- F473** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7
- F474** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**F475 168F Price of a car: classic cars.**

**F476** .....

**Textual Amendments**

- F475** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7
- F476** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**F477 168G Price of a car: cap for expensive car.**

**F478** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F477** Ss. 168A-168G inserted (with effect for the year 1994-95 and subsequent years of assessment) by 1993 c. 34, s. 72, Sch. 3 paras. 4, 7
- F478** Ss. 160-168G repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 24, **Sch. 8 Pt. 1** (with Sch. 7)

**CHAPTER III**

**PROFIT-RELATED PAY**

*Preliminary*

**169 Interpretation.**

**F479** .....

**Textual Amendments**

- F479** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**170 Taxation of profit-related pay.**

**F480** .....

**Textual Amendments**

- F480** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

*The relief*

**171 Relief from tax.**

**F481** .....

**Textual Amendments**

- F481** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)



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## 172 Exceptions from tax.

F482 .....

### Textual Amendments

**F482** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

## Registration

## 173 Persons who may apply for registration.

F483 .....

### Textual Amendments

**F483** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

## 174 Excluded employments.

F484 .....

### Textual Amendments

**F484** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

## 175 Applications for registration.

F485 .....

### Textual Amendments

**F485** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

## 176 Registration.

F486 .....

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**Textual Amendments**

**F486** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**177 Change of scheme employer.**

**F487** .....

**Textual Amendments**

**F487** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**[<sup>F488</sup>177A] Death of scheme employer.**

**F489** .....]

**Textual Amendments**

**F488** Ss. 177A, 177B inserted by Finance Act 1989 (c. 26), **Sch. 4 para. 3**  
**F489** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**177B Alteration of scheme’s terms.**

**F490** .....

**Textual Amendments**

**F490** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**178 Cancellation of registration.**

**F491** .....

**Textual Amendments**

**F491** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

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## Administration

### 179 Recovery of tax from scheme employer.

F492 .....

#### Textual Amendments

**F492** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

### 180 Annual returns etc.

F493 .....

#### Textual Amendments

**F493** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

### 181 Other information.

F494 .....

#### Textual Amendments

**F494** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

### 182 Appeals.

F495 .....

#### Textual Amendments

**F495** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

## Supplementary

### 183 Partnerships.

F496 .....

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**Textual Amendments**

**F496** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**184 Independent accountants.**

**F497** .....

**Textual Amendments**

**F497** Ss. 169-184 (Pt. 5 Ch. 3) repealed (with effect in accordance with s. 61(2)(3) of the repealing Act) by Finance Act 1997 (c. 16), **Sch. 18 Pt. 6(3)**, Note 1 (with saving in Note 2; and Ch. 3 modified, as so saved, by s. 61(1) of the repealing Act)

**CHAPTER IV**

OTHER EXEMPTIONS AND RELIEFS

*Share option and profit sharing schemes*

**185 Approved share option schemes.**

**F498** .....

**Textual Amendments**

**F498** S. 185 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 25, **Sch. 8 Pt. 1** (with Sch. 7)

**186 Approved profit sharing schemes.**

- (1) <sup>M8</sup>The provisions of this section apply where, after 5th April 1979 [<sup>F499</sup>and before 1st January 2003], the trustees of an approved profit sharing scheme appropriate shares—
  - (a) which have previously been acquired by the trustees, and
  - (b) as to which the conditions in Part II of Schedule 9 are fulfilled,
 to an individual who participates in the scheme (“the participant”).
- (2) <sup>M9</sup>Notwithstanding that, by virtue of such an appropriation of shares as is mentioned in subsection (1) above, the beneficial interest in the shares passes to the participant to whom they are appropriated—
  - (a) the value of the shares at the time of the appropriation shall be treated as not being income of his chargeable to tax under Schedule E; and
  - (b) he shall not be chargeable to income tax under that Schedule by virtue of [<sup>F500</sup>section 78 or 79 of the Finance Act 1988 in respect of the shares] or by

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virtue of section 162 in any case where the shares are appropriated to him at an undervalue within the meaning of that section.

- (3) <sup>M10</sup>Subject to the provisions of this section and paragraph 4 of Schedule 10, if, in respect of or by reference to any of a participant's shares, the trustees become or the participant becomes entitled, before the release date, to receive any money or money's worth ("a capital receipt"), <sup>F501</sup> . . . the appropriate percentage (determined as at the time the trustees become or the participant becomes so entitled) of so much of the amount or value of the receipt as exceeds the appropriate allowance for that year, as determined under subsection (12) below [<sup>F502</sup> counts as employment income of the participant for the year of assessment in which the entitlement arises].
- (4) <sup>M11</sup>If the trustees dispose of any of a participant's shares at any time before the release date or, if it is earlier, the date of the participant's death, then, subject to subsections (6) and (7) below, <sup>F503</sup> . . . the appropriate percentage of the locked-in value of the shares at the time of the disposal [<sup>F504</sup> counts as employment income of the participant for the year of assessment in which the disposal takes place].
- (5) <sup>M12</sup>Subject to paragraphs 5 and 6(6) of Schedule 10, the locked-in value of a participant's shares at any time is—
  - (a) if prior to that time he has become [<sup>F505</sup> entitled to a capital receipt (within the meaning of subsection (3) above) which is referable to those shares and—
    - (i) an amount calculated by reference to that capital receipt counts as his employment income by virtue of subsection (3) above, or
    - (ii) if the entitlement to the capital receipt arose before 6th April 2003, he was chargeable to income tax by virtue of that subsection (as it had effect before that date) in respect of that capital receipt,]  
the amount by which their initial market value exceeds the amount or value of that capital receipt or, if there has been more than one such receipt, the aggregate of them; and
  - (b) in any other case, their initial market value.
- (6) Subject to subsection (7) below, if, on a disposal of shares falling within subsection (4) above, the proceeds of the disposal are less than the locked-in value of the shares at the time of the disposal, subsection (4) above shall have effect as if that locked-in value were reduced to an amount equal to the proceeds of the disposal.
- (7) If, at any time prior to the disposal of any of a participant's shares, a payment was made to the trustees to enable them to exercise rights arising under a rights issue, then, subject to subsection (8) below, subsections (4) and (6) above shall have effect as if the proceeds of the disposal were reduced by an amount equal to that proportion of that payment or, if there was more than one, of the aggregate of those payments which, immediately before the disposal, the market value of the shares disposed of bore to the market value of all the participant's shares held by the trustees at that time.
- (8) <sup>M13</sup>For the purposes of subsection (7) above—
  - (a) no account shall be taken of any payment to the trustees if or to the extent that it consists of the proceeds of a disposal of rights arising under a rights issue; and
  - (b) in relation to a particular disposal the amount of the payment or, as the case may be, of the aggregate of the payments referred to in that subsection shall be taken to be reduced by an amount equal to the total of the reduction (if any) previously made under that subsection in relation to earlier disposals;

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and any reference in subsection (7) or paragraph (a) above to the rights arising under a rights issue is a reference to rights conferred in respect of a participant's shares, being rights to be allotted, on payment, other shares or securities or rights of any description in the same company.

(9) <sup>M14</sup>If at any time the participant's beneficial interest in any of his shares is disposed of, the shares in question shall be treated for the purposes of the relevant provisions as having been disposed of at that time by the trustees for (subject to subsection (10) below) the like consideration as was obtained for the disposal of the beneficial interest; and for the purposes of this subsection there is no disposal of the participant's beneficial interest if and at the time when—

- (a) in England and Wales or Northern Ireland, that interest becomes vested in any person on the insolvency of the participant or otherwise by operation of law, or
- (b) in Scotland, that interest becomes vested in a judicial factor, in a trustee on the participant's sequestrated estate or in a trustee for the benefit of the participant's creditors.

(10) If—

- (a) a disposal of shares falling within subsection (4) above is a transfer to which paragraph 2(2)(c) of Schedule 9 applies, or
- <sup>F506</sup>(b) any other disposal falling within that subsection is not at arm's length,
- (c) a disposal of shares falling within <sup>F507</sup>that subsection] is one which is treated as taking place by virtue of subsection (9) above and takes place within the period of retention,

then for the purposes of the relevant provisions the proceeds of the disposal shall be taken to be equal to the market value of the shares at the time of the disposal.

(11) <sup>M15</sup>Where the trustees of an approved scheme acquire any shares as to which the requirements of Part II of Schedule 9 are fulfilled and, within the period of 18 months beginning with the date of their acquisition, those shares are appropriated in accordance with the scheme, section 686 shall not apply to income consisting of dividends on those shares received by the trustees; and, for the purpose of determining whether any shares are appropriated within that period, shares which were acquired at an earlier time shall be taken to be appropriated before shares of the same class which were acquired at a later time.

(12) <sup>M16</sup>For the purposes of subsection (3) above, “the appropriate allowance”, in relation to any year of assessment, means a sum which, subject to a maximum of <sup>F508</sup>£60], is the product of multiplying £20 by 1 plus the number of years which fall within the period of <sup>F509</sup>three years] immediately preceding the year in question and in which shares were appropriated to the participant under the scheme; and if in any year (and before the release date) the trustees become or the participant becomes entitled, in respect of or by reference to any of his shares, to more than one capital receipt, the receipts shall be set against the appropriate allowance for that year in the order in which they are received.

(13) Schedule 10 shall have effect with respect to profit sharing schemes.

#### Textual Amendments

**F499** Words in s. 186(1) inserted (28.7.2000) by [Finance Act 2000 \(c. 17\), s. 49\(3\)](#)

**F500** Words in s. 186(2)(b) substituted (in respect of acquisitions of shares on or after 26.10.1987) by [Finance Act 1988 \(c. 39\), s. 89](#)

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- F501** Words in s. 186(3) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by **Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 26(2)(a), Sch. 8 Pt. 1** (with Sch. 7)
- F502** Words in s. 186(3) added (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by **Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 26(2)(b)** (with Sch. 7)
- F503** Words in s. 186(4) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by **Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 26(3)(a), Sch. 8 Pt. 1** (with Sch. 7)
- F504** Words in s. 186(4) added (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by **Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 26(3)(b)** (with Sch. 7)
- F505** Words in s. 186(5)(a) substituted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by **Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 26(4)** (with Sch. 7)
- F506** S. 186(10)(b) substituted (with effect in accordance with s. 134(2) of the amending Act) by **Finance Act 1996 (c. 8), s. 134(1), Sch. 20 para. 11(a)**
- F507** Words in s. 186(10)(c) substituted (with effect in accordance with s. 134(2) of the amending Act) by **Finance Act 1996 (c. 8), s. 134(1), Sch. 20 para. 11(b)**
- F508** Words in s. 186(12) substituted (with effect in accordance with s. 118(2) of the amending Act) by **Finance Act 1996 (c. 8), s. 118(1)(a)**
- F509** Words in s. 186(12) substituted (with effect in accordance with s. 118(2) of the amending Act) by **Finance Act 1996 (c. 8), s. 118(1)(b)**

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

- C3** S. 186 modified (29.4.1996) by **Finance Act 1996 (c. 8), ss. 115(1), 116(3)**
- C4** S. 186 continued (6.4.2003 with effect in accordance with s. 723(1) of the affecting Act) by **Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 418(3)** (with Sch. 7)

#### **Marginal Citations**

- M8** Source—1978 s.53(1)
- M9** Source—1978 s.53(3)
- M10** Source—1978 s.56(1); 1982 s.42(1)
- M11** Source—1978 s.55(1)
- M12** Source—1978 s.55(2)-(4)
- M13** Source—1978 s.55(5), (9)
- M14** Source—1978 s.55(7), (8)
- M15** Source—1978 s.53(6)
- M16** Source—1978 s.56(6); 1980 s.46(6); 1982 s.42(2); 1985 s.45(4)

## **187 Interpretation of sections 185 and 186 and Schedules 9 and 10.**

- (1) [<sup>F510M17</sup>In sections 185 and 186, this section and Schedules 9 and 10 “the relevant provisions” means those sections (including this section) and Schedules.]
- (2) [<sup>F510</sup>For the purposes of the relevant provisions, except where the context otherwise requires—
- “appropriate percentage” shall be construed in accordance with paragraph 3 of Schedule 10;
  - “approved”, in relation to a scheme, means approved under Schedule 9;
  - “associated company” has the same meaning as in section 416, except that, for the purposes of paragraph 23 of Schedule 9, subsection (1) of that section shall have effect with the omission of the words “ or at any time within one year previously ”;
  - “bonus date” has the meaning given by paragraph 17 of Schedule 9;

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“capital receipt” means money or money’s worth to which the trustees of or a participant in a profit sharing scheme become or becomes entitled as mentioned in section 186(3), but subject to paragraph 4 of Schedule 10;

“certified contractual savings scheme” has the meaning given by section 326;

“control” has the same meaning as in section 840;

“grantor”, in relation to any scheme, means the company which has established the scheme;

“group scheme” and, in relation to such a scheme, “participating company” have the meanings given by paragraph 1(3) and (4) of Schedule 9;

“initial market value”, in relation to shares in a profit sharing scheme, has the meaning given by paragraph 30(4) of Schedule 9;

“locked-in value”, in relation to any shares, shall be construed in accordance with section 186(5);

“market value” has the same meaning as in Part VIII of the [F511 1992 Act];

“new holding” has the meaning given by section [F511 126(1)(b) of the 1992 Act];

“participant”, in relation to a profit sharing scheme, means an individual to whom the trustees of the scheme have appropriated shares;

“participant’s shares”, in relation to a participant in a profit sharing scheme, means, subject to paragraph 5(4) of Schedule 10, shares which have been appropriated to the participant by the trustees;

F512

“period of retention” has the meaning given by paragraph 2 of Schedule 10;

“release date”, in relation to any of the shares of a participant in a profit sharing scheme, means the [F513 third] anniversary of the date on which they were appropriated to him;

“relevant amount”, in relation to a participant in a profit sharing scheme, means an amount which is [F514 not less than £3,000 and not more than £8,000] but which, subject to that, is 10 per cent. of his salary (determined under subsection (5) below) for the year of assessment in question or the preceding year of assessment, whichever is the greater;

“relevant requirements” has the meaning given by paragraph 1 of Schedule 9;

“savings-related share option scheme” has the meaning given by paragraph 1 of Schedule 9;

“scheme” means a savings-related share option scheme, a share option scheme which is not a savings-related share option scheme or a profit sharing scheme, as the context may require;

“shares” includes stock;

[F515 “specified age”, in relation to a scheme, means the age specified in pursuance of paragraph 8A of Schedule 9 as the specified age for the purposes of the scheme;]

“the trustees”, in relation to an approved profit sharing scheme or the shares of a participant in such a scheme, means the body of persons for the establishment of which the scheme must provide as mentioned in paragraph 30 of Schedule 9; and

“just instrument”, in relation to an approved profit sharing scheme, means the instrument referred to in paragraph 30(1)(c) of Schedule 9.]



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- (3) <sup>F510M18</sup>For the purposes of the application of the relevant provisions in relation to any share option scheme or profit sharing scheme, a person has a material interest <sup>F516</sup>in a company if he, either on his own or with one or more associates, or if any associate of his with or without such other associates,—
- (a) is the beneficial owner of, or able, directly or through the medium of other companies, or by any other indirect means to control, more than 25 per cent., or in the case of a share option scheme which is not a savings-related share option scheme more than 10 per cent., of the ordinary share capital of the company, or
  - (b) where the company is a close company, possesses, or is entitled to acquire, such rights as would, in the event of the winding-up of the company or in any other circumstances, give an entitlement to receive more than 25 per cent., or in the case of a share option scheme which is not a savings-related share option scheme more than 10 per cent., of the assets which would then be available for distribution among the participators.]
- In this subsection “associate” has the meaning given by section 417(3) and (4) <sup>F516</sup>and “participator” has the meaning given by section 417(1)].]
- (4) <sup>F510M19</sup>Subsection (3) above shall have effect subject to the provisions of Part VI of Schedule 9.]
- (5) <sup>M20</sup>For the purposes of subsection (2) above, a participant’s salary for a year of assessment means such of the emoluments of the office or employment by virtue of which he is entitled to participate in a profit sharing scheme as are liable to be paid in that year under deduction of tax pursuant to section 203 after deducting therefrom amounts included by virtue of Chapter II of this Part.
- (6) <sup>F510M21</sup>Section 839 shall apply for the purposes of the relevant provisions.]
- (7) <sup>F510M22</sup>For the purposes of the relevant provisions a company is a member of a consortium owning another company if it is one of a number of companies which between them beneficially own not less than three-quarters of the other company’s ordinary share capital and each of which beneficially owns not less than one-twentieth of that capital.]
- (8) <sup>M23</sup>Where the disposal referred to in section 186(4) is made from a holding of shares which were appropriated to the participant at different times, then, in determining for the purposes of the relevant provisions—
- (a) the initial market value and the locked-in value of each of those shares, <sup>F517</sup> . . .
  - (b) <sup>F517</sup> . . . . .
- (9) <sup>M24</sup>Any of the relevant provisions with respect to—
- (a) the order in which any of a participant’s shares are to be treated as disposed of for the purposes of those provisions, or
  - (b) the shares in relation to which an event is to be treated as occurring for any such purpose,
- shall have effect in relation to a profit sharing scheme notwithstanding any direction given to the trustees with respect to shares of a particular description or to shares appropriated to the participant at a particular time.
- (10) <sup>M25</sup>In the relevant provisions “workers’ cooperative” means a registered industrial and provident society <sup>F518</sup>, as defined in <sup>F519</sup>section 1119 of CTA 2010]], which is a cooperative society and the rules of which include provisions which secure—

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- (a) that the only persons who may be members of it are those who are employed by, or by a subsidiary of, the society and those who are the trustees of its profit sharing scheme; and
- (b) that, subject to any provision about qualifications for membership which is from time to time made by the members of the society by reference to age, length of service or other factors of any description, all such persons may be members of the society;

and in this subsection “cooperative society” has the same meaning as in section 1 of the <sup>M26</sup>Industrial and Provident Societies Act 1965 or, as the case may be, the <sup>M27</sup>Industrial and Provident Societies Act (Northern Ireland) 1969.

### Textual Amendments

- F510** S. 187(1)-(4)(6)(7) repealed (except so far as relating to profit sharing schemes) (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 27](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))
- F511** Words in s. 187(2) substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [ss. 289, 290](#), [Sch. 10 para. 14\(13\)](#) (with [ss. 60, 101\(1\), 171, 201\(3\)](#)).
- F512** S. 187(2): definition of "pensionable age" repealed (19.7.1995) by [Pensions Act 1995 \(c. 26\)](#), [ss. 126, 177, 180\(2\)\(a\)](#), [Sch. 4 para. 12\(a\)](#), [Sch. 7 Pt. 2](#)
- F513** Word in s. 187(2) substituted (with effect in accordance with s. 116(2)(3) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [s. 116\(1\)](#)
- F514** Words in s. 187(2) substituted (for the year 1991-92 and subsequent years of assessment) by virtue of [Finance Act 1991 \(c. 31\)](#), [s. 41\(1\)\(2\)](#)
- F515** S. 187(2): definition of "specified age" inserted by [Finance Act 1991 \(c. 31\)](#), [s. 38\(4\)](#)
- F516** Words in s. 187(3) substituted (in relation to accounting periods beginning after 31.3.1989) by [Finance Act 1989 \(c. 26\)](#), [Sch. 12 para. 9](#)
- F517** S. 187(8)(b) and preceding word repealed (with effect in accordance with s. 117(3) of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), [ss. 117\(2\), 205](#), [Sch. 41 Pt. 5\(5\)](#), Note 1
- F518** Words in s. 187(10) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 95](#) (with [Sch. 2 Pts. 1, 2](#))
- F519** Words in s. 187(10) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 13](#) (with [Sch. 2](#))

### Modifications etc. (not altering text)

- C5** S. 187 modified (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), [ss. 115\(1\), 116\(3\)](#)
- C6** S. 187 applied (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), [s. 114](#), [Sch. 16 para. 5\(1\)](#)
- C7** S. 187 continued so far as relating to APS schemes (6.4.2003 with effect in accordance with s. 723(1) of the affecting Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [s. 418\(3\)](#) (with [Sch. 7](#))

### Marginal Citations

- M17** Source—1978 [ss.53\(2\), 54\(2\), \(4\)\(b\), 6, 56\(1\), 57\(1\), \(4\), 61\(1\)](#), [Sch.9 1, 16](#); 1980 [s.46\(4\)](#), [Sch.10 5\(b\), 8, 26\(1\)](#); 1982 [s.40\(8\)](#); 1983 [s.25\(1\)](#); 1984 [Sch.10 15\(1\), \(2\)](#); 1985 [s.45\(2\)](#)
- M18** Source—1970 [s.285\(6\)](#); 1978 [Sch.9 11\(3\)\(b\)](#); 1980 [Sch.10 26\(2\)](#); 1984 [Sch.10 4\(4\)](#)
- M19** Source—1987 [s.33\(2\)](#)
- M20** Source—1978 [s.61\(4\)](#); 1983 [s.25\(2\)](#)
- M21** Source—1978 [Sch.9 16](#); 1980 [Sch.10 26\(4\)](#); 1984 [Sch.10 15\(3\)](#)
- M22** Source—1978 [Sch.9 17](#); 1980 [Sch.10 26\(5\)](#); 1984 [Sch.10 15\(4\)](#); 1986 [s.23\(5\)](#)
- M23** Source—1978 [s.55\(6\)](#)
- M24** Source—1978 [s.61\(2\)](#)
- M25** Source—1978 [Sch.9 18](#); 1986 [s.24\(1\)](#)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- M26 1965 c. 12.
- M27 1969 c. 24. (N.I.).

*[<sup>F520</sup> Contributions in respect of share option gains*

**Textual Amendments**

**F520** S. 187A and preceding cross-heading inserted (with application in accordance with s. 56(1) of the amending Act) by Finance Act 2000 (c. 17), s. 56(1)

**187A Relief for contributions in respect of share option gains.**

F521 .....]

**Textual Amendments**

**F521** S. 187A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(a), Sch. 8 Pt. 1 (with Sch. 7)

*Retirement benefits etc.*

**188 Exemptions from section 148.**

F522 .....

**Textual Amendments**

**F522** S. 188 repealed (with application in accordance with s. 58(4) of the repealing Act) by Finance Act 1998 (c. 36), s. 165, Sch. 27 Pt. 3(9), Note

**189 Lump sum benefits on retirement.**

F523 .....

**Textual Amendments**

**F523** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), Sch. 8 Pt. 1 (with Sch. 7)

**190 Payments to MPs and others.**

F524 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F524** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(b\)](#), **Sch. 8 Pt. 1** (with [Sch. 7](#))

**191 Job release scheme allowances not to be treated as income.**

F525 .....

**Textual Amendments**

**F525** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(b\)](#), **Sch. 8 Pt. 1** (with [Sch. 7](#))

*<sup>F526</sup> Removal expenses and benefits*

**Textual Amendments**

**F526** Ss. 191A, 191B and preceding cross-heading inserted (27.7.1993) by [Finance Act 1993 \(c. 34\)](#), s. 76, **Sch. 5 para.1**

**<sup>F527</sup> 191A Removal expenses and benefits.**

F528 .....

**Textual Amendments**

**F527** Ss. 191A, 191B and preceding cross-heading inserted (27.7.1993) by [Finance Act 1993 \(c. 34\)](#), s. 76, **Sch. 5 para.1**  
**F528** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(b\)](#), **Sch. 8 Pt. 1** (with [Sch. 7](#))

**<sup>F529</sup> 191B Removal benefits: beneficial loan arrangements.**

F530 .....]

**Textual Amendments**

**F529** Ss. 191A, 191B and preceding cross-heading inserted (27.7.1993) by [Finance Act 1993 \(c. 34\)](#), s. 76, **Sch. 5 para.1**  
**F530** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(b\)](#), **Sch. 8 Pt. 1** (with [Sch. 7](#))

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*Foreign emoluments and earnings, pensions and certain travel facilities*

**192 Relief from tax for foreign emoluments.**

F531 .....

**Textual Amendments**

**F531** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F532</sup>**192A Foreign earnings deduction for seafarers.**

F533 .....]

**Textual Amendments**

**F532** S. 192A inserted (with effect in accordance with s. 63(5) of the amending Act) by Finance Act 1998 (c. 36), s. 63(2) (with s. 63(6)(7))

**F533** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**193 Foreign earnings and travel expenses.**

F534 .....

**Textual Amendments**

**F534** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**194 Other foreign travel expenses.**

F535 .....

**Textual Amendments**

**F535** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**195 Travel expenses of employees not domiciled in the United Kingdom.**

F536 .....

**Textual Amendments**

**F536** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

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## 196 Foreign pensions.

F537 .....

### Textual Amendments

**F537** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

## 197 Leave travel facilities for the armed forces.

F538 .....

### Textual Amendments

**F538** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F539</sup>197A Car parking facilities

F540 .....]

### Textual Amendments

**F539** S. 197A inserted (1988-89 and subsequent years of assessment) by Finance Act 1988 (c. 39), **s. 46(4)**  
**F540** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F541</sup>197AA Works bus services.

F542 .....

### Textual Amendments

**F541** Ss. 197AA, 197AB inserted (with effect in accordance with s. 48(2) of the amending Act) by Finance Act 1999 (c. 16), **s. 48(1)**  
**F542** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

## 197AB Support for public transport road services.

F543 .....

### Textual Amendments

**F541** Ss. 197AA, 197AB inserted (with effect in accordance with s. 48(2) of the amending Act) by Finance Act 1999 (c. 16), **s. 48(1)**

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**F543** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**[<sup>F544</sup>197AC Provision of cycle or cyclist's safety equipment.**

<sup>F545</sup> .....

**Textual Amendments**

**F544** S. 197AC inserted (with effect in accordance with s. 50(3) of the amending Act) by Finance Act 1999 (c. 16), **s. 50(1)**

**F545** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

*[<sup>F546</sup> Mileage allowances*

**Textual Amendments**

**F546** Ss. 197AD-197AH and preceding cross-heading inserted (with effect in accordance with s. 57(4) of the amending Act) by Finance Act 2001 (c. 9), **s. 57(1)**

**197AD Mileage allowance payments**

<sup>F547</sup> .....

**Textual Amendments**

**F547** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**197AE Passenger payments**

<sup>F548</sup> .....

**Textual Amendments**

**F548** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**197AF Mileage allowance relief**

<sup>F549</sup> .....

**Textual Amendments**

**F549** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

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**197AG Giving effect to mileage allowance relief**

F550 .....

**Textual Amendments**

**F550** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

**197AH Interpretation of sections 197AD to 197AG**

F551 .....]

**Textual Amendments**

**F551** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

*[<sup>F552</sup> Mileage allowances*

**Textual Amendments**

**F552** Ss. 197B-197F and preceding cross-heading inserted by Finance Act 1990 (c. 29), s. 23, **Sch. 4**

**197B** .....

F553 .....

**Textual Amendments**

**F553** Ss. 197B-197F repealed (with effect in accordance with Sch. 33 Pt. 2(1) Note of the repealing Act) by Finance Act 2001 (c. 9), **Sch. 33 Pt. 2(1)**

**197C** .....

F554 .....

**Textual Amendments**

**F554** Ss. 197B-197F repealed (with effect in accordance with Sch. 33 Pt. 2(1) Note of the repealing Act) by Finance Act 2001 (c. 9), **Sch. 33 Pt. 2(1)**

**197D** .....

F555 .....



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**Textual Amendments**

**F555** Ss. 197B-197F repealed (with effect in accordance with Sch. 33 Pt. 2(1) Note of the repealing Act) by Finance Act 2001 (c. 9), **Sch. 33 Pt. 2(1)**

**197E** .....

**F556** .....

**Textual Amendments**

**F556** Ss. 197B-197F repealed (with effect in accordance with Sch. 33 Pt. 2(1) Note of the repealing Act) by Finance Act 2001 (c. 9), **Sch. 33 Pt. 2(1)**

**197F** .....

**F557** .....]

**Textual Amendments**

**F557** Ss. 197B-197F repealed (with effect in accordance with Sch. 33 Pt. 2(1) Note of the repealing Act) by Finance Act 2001 (c. 9), **Sch. 33 Pt. 2(1)**

*[<sup>F558</sup> Sporting and recreational facilities*

**Textual Amendments**

**F558** S. 197G and preceding cross-heading inserted (27.7.1993 with application for the year 1993-94 and subsequent years of assessment) by Finance Act 1993 (c. 34), **s. 75(1)(2)**

**197G** **Sporting and recreational facilities.**

**F559** .....]

**Textual Amendments**

**F559** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(b), **Sch. 8 Pt. 1** (with Sch. 7)

*Other expenses, subscriptions etc.*

**198** **Relief for necessary expenses.**

**F560** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F560** Ss. 189-198 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(b\)](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

[<sup>F561</sup>**198A**.....]

F562 .....

**Textual Amendments**

**F561** S. 198A inserted (with effect in accordance with s. 62(5) of the amending Act) by [Finance Act 1997 \(c. 16\)](#), [s. 62\(2\)](#)

**F562** S. 198A repealed (with effect in accordance with Sch. 27 Pt. 3(10) Note of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), [s. 165](#), [Sch. 27 Pt. 3\(10\)](#)

**199 Expenses necessarily incurred and defrayed from official emoluments.**

F563 .....

**Textual Amendments**

**F563** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(c\)](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

**200 Expenses of Members of Parliament.**

F564 .....

**Textual Amendments**

**F564** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(c\)](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

[<sup>F565</sup>**200ZA** Expenses of members of Scottish Parliament, National Assembly for Wales or Northern Ireland Assembly.

F566 .....

**Textual Amendments**

**F565** S. 200ZA inserted (with effect in accordance with s. 52(2) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 52\(1\)](#), [Sch. 5 para. 2\(1\)](#)

**F566** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 28\(c\)](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

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[<sup>F567</sup>**200AA** **Accidental benefits for holders of certain offices etc.**

F568 .....]

**Textual Amendments**

**F567** S. 200AA inserted (with effect in accordance with s. 108(2) of the amending Act) by Finance Act 1996 (c. 8), s. 108(1)

**F568** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

[<sup>F569</sup>**200A** **Accidental overnight expenses.**

F570 .....]

**Textual Amendments**

**F569** S. 200A inserted (with effect in accordance with s. 93(5) of the amending Act) by Finance Act 1995 (c. 4), s. 93(4)

**F570** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

[<sup>F571</sup>**200B** **Work-related training provided by employers.**

F572 .....

**Textual Amendments**

**F571** Ss. 200B-200D inserted (with application in accordance with s. 63(3) of the amending Act) by Finance Act 1997 (c. 16), s. 63(1)

**F572** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

**200C Expenditure excluded from section 200B.**

F573 .....

**Textual Amendments**

**F571** Ss. 200B-200D inserted (with application in accordance with s. 63(3) of the amending Act) by Finance Act 1997 (c. 16), s. 63(1)

**F573** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

**200D Other work-related training.**

F574 .....]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F571** Ss. 200B-200D inserted (with application in accordance with s. 63(3) of the amending Act) by Finance Act 1997 (c. 16), s. 63(1)

**F574** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

**[<sup>F575</sup>200E Education and training funded by employers.**

<sup>F576</sup> .....

**Textual Amendments**

**F575** Ss. 200E-200H, 200J inserted (with application in accordance with s. 58(3) of the amending Act) by Finance Act 2000 (c. 17), s. 58(1)

**F576** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

**200F Section 200E: exclusion of expenditure not directly related to training.**

<sup>F577</sup> .....

**Textual Amendments**

**F575** Ss. 200E-200H, 200J inserted (with application in accordance with s. 58(3) of the amending Act) by Finance Act 2000 (c. 17), s. 58(1)

**F577** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

**200G Section 200E: exclusion of expenditure if contributions not generally available to staff.**

<sup>F578</sup> .....

**Textual Amendments**

**F575** Ss. 200E-200H, 200J inserted (with application in accordance with s. 58(3) of the amending Act) by Finance Act 2000 (c. 17), s. 58(1)

**F578** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), Sch. 8 Pt. 1 (with Sch. 7)

**200H Section 200E: exclusion of expenditure otherwise relieved.**

<sup>F579</sup> .....

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**Textual Amendments**

- F575** Ss. 200E-200H, 200J inserted (with application in accordance with s. 58(3) of the amending Act) by Finance Act 2000 (c. 17), **s. 58(1)**
- F579** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), **Sch. 8 Pt. 1** (with Sch. 7)

**200J Education or training funded by third parties.**

**F580** .....]

**Textual Amendments**

- F575** Ss. 200E-200H, 200J inserted (with application in accordance with s. 58(3) of the amending Act) by Finance Act 2000 (c. 17), **s. 58(1)**
- F580** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), **Sch. 8 Pt. 1** (with Sch. 7)

**201 Fees and subscriptions to professional bodies, learned societies etc.**

**F581** .....

**Textual Amendments**

- F581** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F582</sup>**201AA Employee liabilities and indemnity insurance.**

**F583** .....]

**Textual Amendments**

- F582** S. 201AA inserted (with effect in accordance with s. 91(3) of the amending Act) by Finance Act 1995 (c. 4), **s. 91(1)**
- F583** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F584</sup>**201AE Expense of entertainers.**

**F585** .....]

**Textual Amendments**

- F584** S. 201A inserted by Finance Act 1990 (c. 29), **s. 77**
- F585** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), **Sch. 8 Pt. 1** (with Sch. 7)

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## 202 Donations to charity: payroll deduction scheme.

F586 .....

### Textual Amendments

**F586** Ss. 199-202 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 28(c), **Sch. 8 Pt. 1** (with Sch. 7)

## CHAPTER V

### ASSESSMENT, COLLECTION, RECOVERY AND APPEALS

## [<sup>F587</sup>202A Assessment on receipts basis.

F588 .....

### Textual Amendments

**F587** Ss. 202A, 202B inserted by Finance Act 1989 (c. 26), s. 37

**F588** Ss. 202A, 202B repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 29, **Sch. 8 Pt. 1** (with Sch. 7)

## 202B Receipts basis: meaning of receipt.

F589 .....

### Textual Amendments

**F589** Ss. 202A, 202B repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 29, **Sch. 8 Pt. 1** (with Sch. 7)

## 203 Pay as you earn.

F590 .....

### Textual Amendments

**F590** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F591</sup>203A P.A.Y.E.: meaning of payment.

F592 .....

### Textual Amendments

**F591** S. 203A inserted by Finance Act 1989 (c. 26), s. 37(2)(4)(5)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**F592** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F593</sup>**203BPAYE: payment by intermediary.**

<sup>F594</sup> .....]

**Textual Amendments**

**F593** S. 203B inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 125

**F594** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F595</sup>**203CPAYE: employee of non-UK employer.**

<sup>F596</sup> .....

**Textual Amendments**

**F595** Ss. 203C-203E inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 126

**F596** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

**203D PAYE: employee non-resident, etc.**

<sup>F597</sup> .....

**Textual Amendments**

**F595** Ss. 203C-203E inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 126

**F597** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

**203E PAYE: mobile UK workforce.**

<sup>F598</sup> .....]

**Textual Amendments**

**F595** Ss. 203C-203E inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 126

**F598** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F599</sup>**203FPAYE: tradeable assets.**

<sup>F600</sup> .....]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F599** S. 203F inserted (3.5.1994) by [Finance Act 1994 \(c. 9\), s. 127](#)
- F600** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 30, Sch. 8 Pt. 1](#) (with Sch. 7)

**[<sup>F601</sup>203FA: enhancing the value of an asset.**

<sup>F602</sup> .....

**Textual Amendments**

- F601** S. 203FA inserted (with effect in accordance with s. 66(2) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 66\(1\)](#) (with s. 66(3))
- F602** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 30, Sch. 8 Pt. 1](#) (with Sch. 7)

**[<sup>F603</sup>203FB: gains from share options etc.**

<sup>F604</sup> .....

**Textual Amendments**

- F603** S. 203FB inserted (with effect in accordance with s. 67(2) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 67\(1\)](#) (with s. 67(3))
- F604** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 30, Sch. 8 Pt. 1](#) (with Sch. 7)

**[<sup>F605</sup>203G: non-cash vouchers.**

<sup>F606</sup> .....

**Textual Amendments**

- F605** S. 203G inserted (3.5.1994) by [Finance Act 1994 \(c. 9\), s. 128](#)
- F606** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 30, Sch. 8 Pt. 1](#) (with Sch. 7)

**[<sup>F607</sup>203H: credit-tokens.**

<sup>F608</sup> .....

**Textual Amendments**

- F607** S. 203H inserted (3.5.1994) by [Finance Act 1994 \(c. 9\), s. 129](#)
- F608** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 30, Sch. 8 Pt. 1](#) (with Sch. 7)



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[<sup>F609</sup>**203IPAYE: cash vouchers.**

F610 .....]

**Textual Amendments**

**F609** S. 203I inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 130

**F610** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F611</sup>**203JS.203B to s.203I: accounting for tax.**

F612 .....]

**Textual Amendments**

**F611** Ss. 203J-203L inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 131

**F612** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

**203K Trading arrangements.**

F613 .....]

**Textual Amendments**

**F611** Ss. 203J-203L inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 131

**F613** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

**203L S.203B to s.203K: interpretation, etc.**

F614 .....]

**Textual Amendments**

**F611** Ss. 203J-203L inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 131

**F614** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

**204 P.A.Y.E repayments.**

F615 .....]

**Textual Amendments**

**F615** Ss. 203-204 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 30, **Sch. 8 Pt. 1** (with Sch. 7)

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## 205 Assessments unnecessary in certain circumstances.

F616 .....

### Textual Amendments

**F616** Ss. 205, 206 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 31, **Sch. 8 Pt. 1** (with Sch. 7)

## 206 Additional provision for certain assessments.

F617 .....

### Textual Amendments

**F617** Ss. 205, 206 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 31, **Sch. 8 Pt. 1** (with Sch. 7)

## [<sup>F618</sup>206 APAYE settlement agreements.

F619 .....]

### Textual Amendments

**F618** S. 206A inserted (29.4.1996) by Finance Act 1996 (c. 8), s. 110  
**F619** S. 206A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 32, **Sch. 8 Pt. 1** (with Sch. 7)

## 207 Disputes as to domicile or ordinary residence.

F620 .....

### Textual Amendments

**F620** S. 207 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 32, **Sch. 8 Pt. 1** (with Sch. 7)

## PART VI

### COMPANY DISTRIBUTIONS, TAX CREDITS ETC

### Modifications etc. (not altering text)

- C8** Pt. 6 modified by Airports Act 1986 (c. 31), s. 77(3) (as substituted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), Sch. 14 para. 3 (with Sch. 15))
- C9** Pt. 6 modified by Gas Act 1986 (c. 44), s. 60(3) (as substituted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), Sch. 14 para. 4 (with Sch. 15))

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**C10** Pt. 6 modified by [British Steel Act 1988 \(c. 35\), s. 11\(7\)](#) (as substituted (with effect in accordance with s. 105(1) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 14 para. 55 \(with Sch. 15\)](#))

## CHAPTER I

### TAXATION OF COMPANY DISTRIBUTIONS

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

**C11** Pt. 6 Chs. 1-3: power to amend conferred (1.4.2009 with effect in accordance with s. 1329(1) of the affecting Act) by [Corporation Tax Act 2009 \(c. 4\), s. 533\(2\)\(3\)\(d\)](#)

#### [<sup>F621</sup>207A Application of lower rate to company distributions.

<sup>F622</sup> .....

#### Textual Amendments

**F621** [S. 207A](#) inserted (27.7.1993 with application in relation to the year 1993-94 and subsequent years of assessment) by [1993 c. 34, s. 77\(1\)\(2\)\(5\)](#)

**F622** [S. 207A](#) repealed (with effect in accordance with s. 73 of the repealing Act) by [Finance Act 1996, Sch. 41 Pt. 5\(1\), Note 1](#)

#### 208 U.K. company distributions not generally chargeable to corporation tax.

<sup>F623</sup> .....

#### Textual Amendments

**F623** [S. 208](#) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 96, Sch. 3 Pt. 1 \(with Sch. 2 Pts. 1, 2\)](#)

## [<sup>F624</sup>CHAPTER II

### MATTERS WHICH ARE DISTRIBUTIONS FOR THE PURPOSES OF THE CORPORATION TAX ACTS]

#### Textual Amendments

**F624** [Pt. 6 Ch. 2 \(ss. 209-211\)](#) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 14, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

#### 209 Meaning of “distribution”.

<sup>F625</sup> .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F625** Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 14, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**[<sup>F626</sup>209A Section 209(3AA): link to shares of company or associated company**

**F627** .....

**Textual Amendments**

**F626** Ss. 209A, 209B inserted (with effect in accordance with s. 102(3) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 102\(2\)](#)

**F627** Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 14, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**209B Section 209(3AA): hedging arrangements**

**F628** .....]

**Textual Amendments**

**F626** Ss. 209A, 209B inserted (with effect in accordance with s. 102(3) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 102\(2\)](#)

**F628** Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 14, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**210 Bonus issue following repayment of share capital.**

**F629** .....

**Textual Amendments**

**F629** Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 14, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**211 Matters to be treated or not to be treated as repayments of share capital.**

**F630** .....

**Textual Amendments**

**F630** Pt. 6 Ch. 2 (ss. 209-211) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 14, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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## [<sup>F631</sup>CHAPTER III

### MATTERS WHICH ARE NOT DISTRIBUTIONS FOR THE PURPOSES OF THE CORPORATION TAX ACTS]

#### Textual Amendments

**F631** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### *Payments of interest*

### 212 Interest etc. paid in respect of certain securities.

F632 .....

#### Textual Amendments

**F632** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### *Demergers*

### 213 Exempt distributions.

F633 .....

#### Textual Amendments

**F633** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F634</sup>213A Exempt distributions: division of business

F635 .....]

#### Textual Amendments

**F634** S. 213A inserted (29.11.2007 with effect in accordance with reg. 3(1) of the amending S.I. (as retrospectively amended by [S.I. 2008/1579](#), [reg. 4\(1\)](#)) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\)](#), [reg. 1\(2\)](#), [Sch. 1 para. 13](#)

**F635** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 214 Chargeable payments connected with exempt distributions.

F636 .....

*Status: Point in time view as at 19/07/2013.*

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### Textual Amendments

**F636** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## 215 Advance clearance by Board of distributions and payments.

**F637** .....

### Textual Amendments

**F637** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## 216 Returns.

**F638** .....

### Textual Amendments

**F638** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## 217 Information.

**F639** .....

### Textual Amendments

**F639** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#)) (subject to the omission of s. 217(4), so far as it continues to have effect, by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 23 paras. 55\(b\), 65](#))

## 218 Interpretation of sections 213 to 217.

**F640** .....

### Textual Amendments

**F640** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 15](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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### Purchase of own shares

#### 219 Purchase by unquoted trading company of own shares.

F641 .....

##### Textual Amendments

**F641** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

#### 220 Conditions as to residence and period of ownership.

F642 .....

##### Textual Amendments

**F642** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

#### 221 Reduction of vendor's interest as shareholder.

F643 .....

##### Textual Amendments

**F643** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

#### 222 Conditions applicable where purchasing company is member of group.

F644 .....

##### Textual Amendments

**F644** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

#### 223 Other conditions.

F645 .....

##### Textual Amendments

**F645** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

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## 224 Relaxation of conditions in certain cases.

F646 .....

### Textual Amendments

**F646** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

## 225 Advance clearance of payments by Board.

F647 .....

### Textual Amendments

**F647** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

## 226 Returns and information.

F648 .....

### Textual Amendments

**F648** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2) (subject to the omission of s. 226(4), so far as it continues to have effect, by virtue of Finance Act 2011 (c. 11), Sch. 23 paras. 55(c), 65)

## 227 Associated persons.

F649 .....

### Textual Amendments

**F649** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

## 228 Connected persons.

F650 .....

### Textual Amendments

**F650** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)



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## 229 Other interpretative provisions.

F651 .....

### Textual Amendments

**F651** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

### *Stock dividends*

## 230 Stock dividends: distributions.

F652 .....

### Textual Amendments

**F652** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

### *[<sup>F653</sup>Industrial and provident society dividends etc*

### Textual Amendments

**F653** S. 230A and preceding cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 100 (with Sch. 2 Pts. 1, 2)

## 230A Dividend or bonus granted by industrial and provident society

F654 .....]

### Textual Amendments

**F654** Pt. 6 Ch. 3 (ss. 212-230A) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 15, Sch. 3 Pt. 1 (with Sch. 2)

## CHAPTER IV

## TAX CREDITS

## 231 Tax credits for certain recipients of qualifying distributions.

F655 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F655** S. 231 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 16, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F656</sup>**231A** **Restrictions on the use of tax credits by pension funds.**

<sup>F657</sup> .....

**Textual Amendments**

**F656** S. 231A inserted (with effect in accordance with s. 19(3) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **s. 19(2)**

**F657** S. 231A repealed (with effect in accordance with s. 30(11), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), s. 30(8), **Sch. 8 Pt. 2(9)**

[<sup>F658</sup>**231AA** **No tax credit for borrower under stock lending arrangement or interim holder under repurchase agreement.**

<sup>F659</sup> .....

**Textual Amendments**

**F658** S. 231AA inserted (with effect in accordance with s. 102(9) of the amending Act) by Finance Act 1998 (c. 36), **s. 102(1)**

**F659** S. 231AA repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 17, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F660</sup>**231AB** **No tax credit for original owner under repurchase agreement in respect of certain manufactured dividends.**

<sup>F661</sup> .....

**Textual Amendments**

**F660** S. 231AB inserted (with effect in accordance with s. 102(10) of the amending Act) by Finance Act 1998 (c. 36), **s. 102(2)**

**F661** S. 231AB repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 18, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F662</sup>**231B** **Consequences of certain arrangements to pass on the value of a tax credit.**

- (1) This section applies in any case where—
- (a) a person (“A”) is entitled to a tax credit in respect of a qualifying distribution;
  - (b) arrangements subsist such that another person (“B”) obtains, whether directly or indirectly, a payment representing any of the value of the tax credit;
  - (c) the arrangements (whether or not made directly between A and B) were entered into for an unallowable purpose; and

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- (d) the condition in subsection (2) below is satisfied.
- (2) The condition is that if B had been the person entitled to the tax credit and the qualifying distribution to which it relates, and had received the distribution when it was made, then—
  - (a) B would not have been entitled to obtain any payment under section 231(2) or (3) in respect of the tax credit; and
  - (b) if B is a company, B could not have used the income consisting of the distribution to frank a distribution actually made in the accounting period in which it would have received the distribution to which the tax credit relates.
- (3) This section does not apply if and to the extent that any other provision of the Tax Acts has the effect of cancelling or reducing the tax advantage which would otherwise be obtained by virtue of the arrangements.
- (4) Where this section applies—
  - (a) no claim shall be made under section 231(2) for payment of the amount of the tax credit;
  - (b) no claim shall be made under [F663 section 397(2) of ITTOIA 2005]F664 . . . in respect of the tax credit; [F665 and]
  - (c) the income consisting of the distribution in respect of which A is entitled to the tax credit shall not be regarded for the purposes of section 241 as franked investment income; F666 . . .
  - (d) F666 . . . . .
- (5) For the purposes of this section, the question whether any arrangements were entered into for an “unallowable purpose” shall be determined in accordance with subsections (6) and (7) below.
- (6) Arrangements are entered into for an unallowable purpose if the purposes for which at least one person is a party to the arrangements include a purpose which is not amongst the business or other commercial purposes of that person.
- (7) Where one of the purposes for which a person enters into any arrangements is the purpose of securing that that person or another obtains a tax advantage, that purpose shall be regarded as a business or other commercial purpose of the person only if it is neither the main purpose, nor one of the main purposes, for which the person enters into the arrangements.
- (8) Any reference in this section to a person obtaining a tax advantage includes a reference to a person obtaining a payment representing any of the value of a tax credit in circumstances where, had the person obtaining the payment been entitled to the tax credit and the qualifying distribution to which it relates, that person—
  - (a) would not have been entitled to obtain any payment under section 231(2) or (3) in respect of the tax credit; and
  - (b) if that person is a company, could not have used the income consisting of the distribution to frank a distribution actually made in the accounting period in which it would have received the distribution to which the tax credit relates.
- (9) If an amount representing any of the value of a tax credit to which a person is entitled is applied at the direction of, or otherwise in favour of, some other person (whether by way of set off or otherwise), the case shall be treated for the purposes of this section as one where that other person obtains a payment representing any of the value of the tax credit.

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- (10) In determining for the purposes of subsections (2)(b) and (8)(b) b above whether a company could have used the income consisting of the distribution in question to frank a distribution of the company, the company shall be taken to use its actual franked investment income to frank distributions before using the income consisting of the distribution in question.
- (11) References in this section to using franked investment income to frank a distribution of a company have the same meaning as in Chapter V of Part VI.
- (12) In this section—
- “arrangements” means arrangements of any kind, whether in writing or not (and includes a series of arrangements, whether or not between the same parties);
- “business or other commercial purposes” includes the efficient management of investments;
- “franked investment income” has the same meaning as in Chapter V of Part VI and references to income consisting of a distribution shall be construed accordingly;
- [<sup>F667</sup>“tax advantage” has the meaning given by [<sup>F668</sup>section 1139 of CTA 2010]].]

#### Textual Amendments

- F662** S. 231B inserted (with effect in accordance with s. 28(2) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), s. 28(1)
- F663** Words in s. 231B(4)(b) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 116 (with Sch. 2)
- F664** Words in s. 231B(4)(b) repealed (with effect in accordance with Sch. 4 para. 26(2), Sch. 8 Pt. 2(10) Note of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 4 para 26(1), Sch. 8 Pt. 2(10)
- F665** Word at the end of s. 231B(4)(b) inserted (19.7.2011) by Finance Act 2011 (c. 11), Sch. 26 para. 1(2)(a)(i)
- F666** S. 231B(4)(d) and preceding word repealed (19.7.2011) by Finance Act 2011 (c. 11), Sch. 26 para. 1(2)(a)(ii)
- F667** S. 231B(12): definition of "tax advantage" substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 26
- F668** S. 231B(12): words in definition of "tax advantage" substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 19 (with Sch. 2)

## 232 Tax credits for non-U.K. residents.

F669

#### Textual Amendments

- F669** S. 232 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 117, Sch. 3 (with Sch. 2)

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**233 Taxation of certain recipients of distributions and in respect of non-qualifying distributions.**

F670 .....

**Textual Amendments**

**F670** S. 233 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 118, Sch. 3 \(with Sch. 2\)](#)

**234 Information relating to distributions.**

F671 .....

**Textual Amendments**

**F671** S. 234 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 20, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**[<sup>F672</sup>234A] Information relating to distributions: further provisions.**

F673 .....]

**Textual Amendments**

**F672** S. 234A inserted (with application in relation to distributions begun after 16.7.1992) by [Finance \(No. 2\) Act 1992 \(c. 48\), s. 32\(1\)\(4\)](#).

**F673** S. 234A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 21, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**<sup>F674</sup>235 Distributions of exempt funds etc.**

.....

**Textual Amendments**

**F674** Ss. 235-237 repealed (with effect in accordance with Sch. 4 para. 7(2), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 4 para. 7\(1\), Sch. 8 Pt. 2\(9\)](#)

**<sup>F675</sup>236 Provisions supplementary to section 235.**

.....

**Textual Amendments**

**F675** Ss. 235-237 repealed (with effect in accordance with Sch. 4 para. 7(2), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 4 para. 7\(1\), Sch. 8 Pt. 2\(9\)](#)

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**F676 237 Disallowance of reliefs in respect of bonus issues.**

.....

**Textual Amendments**

**F676** Ss. 235-237 repealed (with effect in accordance with Sch. 4 para. 7(2), Sch. 8 Pt. 2(9) Note 3 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 4 para. 7(1), **Sch. 8 Pt. 2(9)**

**CHAPTER V**

ADVANCE CORPORATION TAX AND FRANKED INVESTMENT INCOME

**238 Interpretation of terms and collection of ACT.**

**F677**  
 .....

**Textual Amendments**

**F677** S. 238 repealed (with effect in accordance with Sch. 3 para. 11(2) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 11(1), **Sch. 27 Pt. 3(2)**, Note

**239 Set-off of ACT against liability to corporation tax.**

**F678**  
 .....

**Textual Amendments**

**F678** S. 239 repealed (with effect in accordance with Sch. 3 para. 12(2) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 12(1), **Sch. 27 Pt. 3(2)**, Note (with Sch. 3 para. 12(3)-(6))

**240 Set-off of company's surplus ACT against subsidiary's liability to corporation tax.**

**F679**  
 .....

**Textual Amendments**

**F679** S. 240 repealed (with effect in accordance with Sch. 3 para. 13(2) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 13(1), **Sch. 27 Pt. 3(2)**, Note

**241 Calculation of ACT where company receives franked investment income.**

**F680**  
 .....

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**Textual Amendments**

**F680** S. 241 repealed (with effect in accordance with Sch. 3 para. 14(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 3 para. 14\(1\)](#), [Sch. 27 Pt. 3\(2\)](#), Note

**242 Set-off of losses etc. against surplus of franked investment income.**

**F681** .....

**Textual Amendments**

**F681** Ss. 242-244 repealed (with effect in accordance with s. 20(1)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), s. 20(5), [Sch. 8 Pt. 2\(4\)](#), Note

**243 Set-off of loss brought forward, or terminal loss.**

**F682** .....

**Textual Amendments**

**F682** Ss. 242-244 repealed (with effect in accordance with s. 20(1)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), s. 20(5), [Sch. 8 Pt. 2\(4\)](#), Note

**244 Further provisions relating to claims under section 242 or 243.**

**F683** .....

**Textual Amendments**

**F683** Ss. 242-244 repealed (with effect in accordance with s. 20(1)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), s. 20(5), [Sch. 8 Pt. 2\(4\)](#), Note

**245 Calculation etc. of ACT on change of ownership of company.**

**F684** .....

**Textual Amendments**

**F684** S. 245 repealed (with effect in accordance with Sch. 3 para. 15(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 3 para. 15\(1\)](#), [Sch. 27 Pt. 3\(2\)](#), Note

[<sup>F685</sup>**245A Restriction on application of section 240 in certain circumstances.**

**F686** .....]

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#### Textual Amendments

- F685** Ss. 245A, 245B inserted (in relation to changes in ownership on or after 14 March 1989) by [Finance Act 1989 \(c. 26\), s. 98](#)
- F686** S. 245A repealed (with effect in accordance with Sch. 3 para. 16(2) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 16\(1\), Sch. 27 Pt. 3\(2\)](#), Note

### **245B Restriction on set-off where asset transferred after change in ownership of company.**

**F687** .....

#### Textual Amendments

- F687** S. 245B repealed (with effect in accordance with Sch. 3 para. 17(2)(3) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 17\(1\), Sch. 27 Pt. 3\(2\)](#), Note

### **246 Charge of ACT at previous rate until new rate fixed, and changes of rate.**

**F688** .....

#### Textual Amendments

- F688** S. 246 repealed (with effect in accordance with Sch. 3 para. 18(2) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 18\(1\), Sch. 27 Pt. 3\(2\)](#), Note

## [<sup>F689F690</sup>CHAPTER VA

### FOREIGN INCOME DIVIDENDS

#### Textual Amendments

- F689** Pt. 6 Ch. 5A (ss. 246A-246Y) inserted (3.5.1994) by [Finance Act 1994 \(c. 9\), Sch. 16 para. 1](#)
- F690** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 6 para. 3\(1\), Sch. 8 Pt. 2\(11\)](#), Note

#### *Election by company paying dividend*

### **246A Election by company paying dividend.**

**F691** .....

#### Textual Amendments

- F691** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 6 para. 3\(1\), Sch. 8 Pt. 2\(11\)](#), Note



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## 246B Procedure for making election.

F692 .....

### Textual Amendments

**F692** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

*Recipient of foreign income dividend*

## 246C No tax credit for recipient.

F693 .....

### Textual Amendments

**F693** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246D Individuals etc.

F694 .....

### Textual Amendments

**F694** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

*Companies: payments and receipts*

## 246E Foreign income dividend not franked payment.

F695 .....

### Textual Amendments

**F695** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246F Calculation of ACT where company receives foreign income dividend.

F696 .....

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**Textual Amendments**

**F696** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

**246G Information relating to foreign income dividends.**

**F697** .....

**Textual Amendments**

**F697** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

**246H Power of inspector to require information.**

**F698** .....

**Textual Amendments**

**F698** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

*Foreign source profit and distributable foreign profit*

**246I Foreign source profit and distributable foreign profit.**

**F699** .....

**Textual Amendments**

**F699** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

*Matching of dividend with distributable foreign profit*

**246J Matching of dividend with distributable foreign profit.**

**F700** .....

**Textual Amendments**

**F700** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 6 para. 3\(1\)](#), [Sch. 8 Pt. 2\(11\)](#), Note

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## 246K Matching: subsidiaries.

F701 .....

### Textual Amendments

**F701** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246L Requirement as to subsidiaries.

F702 .....

### Textual Amendments

**F702** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246M Matching: further provisions.

F703 .....

### Textual Amendments

**F703** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

### *Repayment or set-off of advance corporation tax*

## 246N ACT to be repaid or set off against corporation tax liability.

F704 .....

### Textual Amendments

**F704** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246P Notional foreign source advance corporation tax.

F705 .....

### Textual Amendments

**F705** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

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## 246Q Repayment or set-off: supplementary.

F706

### Textual Amendments

**F706** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246R Supplementary claims.

F707

### Textual Amendments

**F707** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## *International headquarters companies*

## 246S International headquarters companies.

F708

### Textual Amendments

**F708** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246T Liability to pay ACT displaced.

F709

### Textual Amendments

**F709** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

## 246U Settlement of liability by IHC as to ACT.

F710

### Textual Amendments

**F710** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

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**246V Settlement of liability by non-IHC as to ACT.**

F711 .....

**Textual Amendments**

**F711** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

**246W Payments and repayments where further matching takes place.**

F712 .....

**Textual Amendments**

**F712** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

*Adjustments*

**246X Adjustments where profits or foreign tax altered.**

F713 .....

**Textual Amendments**

**F713** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

*Application of this Chapter*

**246Y Application of this Chapter.**

F714 .....]

**Textual Amendments**

**F714** Ss. 246A-246Y (Pt. 6 Ch. 5A) repealed (with effect in accordance with Sch. 6 para. 3(2)-(4) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 3(1), **Sch. 8 Pt. 2(11)**, Note

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## [<sup>F715</sup>CHAPTER VI

### MISCELLANEOUS AND SUPPLEMENTAL]

#### Textual Amendments

**F715** Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 22, Sch. 3 Pt. 1 (with Sch. 2)

#### *Group income*

#### 247 Dividends etc. paid by one member of a group to another.

F716 .....

#### Textual Amendments

**F716** S. 247 repealed (with application in accordance with s. 85(6), Sch. 33 Pt. 2(10) Note of the repealing Act) by Finance Act 2001 (c. 9), s. 85(5), Sch. 33 Pt. 2(10)

#### 248 Provisions supplementary to section 247.

F717 .....

#### Textual Amendments

**F717** S. 248 repealed (with application in accordance with s. 85(6), Sch. 33 Pt. 2(10) Note of the repealing Act) by Finance Act 2001 (c. 9), s. 85(5), Sch. 33 Pt. 2(10)

#### *Stock dividends*

#### 249 Stock dividends treated as income.

F718 .....

#### Textual Amendments

**F718** Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 22, Sch. 3 Pt. 1 (with Sch. 2)

#### 250 Returns.

F719 .....

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**Textual Amendments**

**F719** Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 22](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**251 Interpretation of sections 249 and 250.**

**F720** .....

**Textual Amendments**

**F720** Pt. 6 Ch. 6 (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 22](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

*f<sup>F721</sup> Approved share incentive plans*

**Textual Amendments**

**F721** Ss. 251A-251D and preceding cross-heading inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 34](#) (with [Sch. 7](#))

**251A Application of sections 251B and 251C**

**F722** .....

**Textual Amendments**

**F722** Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 122](#), **Sch. 3** (with [Sch. 2](#))

**251B Treatment of cash dividend retained and then later paid out**

**F723** .....

**Textual Amendments**

**F723** Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 122](#), **Sch. 3** (with [Sch. 2](#))

**251C Charge on dividend shares ceasing to be subject to plan**

**F724** .....

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**Textual Amendments**

**F724** Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 122, Sch. 3](#) (with [Sch. 2](#))

**251D Interpretation of sections 251A to 251C**

F725 .....]

**Textual Amendments**

**F725** Ss. 251A-251D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 122, Sch. 3](#) (with [Sch. 2](#))

*Supplemental*

**252 Rectification of excessive set-off etc. of ACT or tax credit.**

F726 .....

**Textual Amendments**

**F726** [Pt. 6 Ch. 6](#) (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 22, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**253 Power to modify or replace section 234(5) to (9) and Schedule 13.**

F727 .....

**Textual Amendments**

**F727** [Pt. 6 Ch. 6](#) (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 22, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**254 Interpretation of Part VI.**

F728 .....

**Textual Amendments**

**F728** [Pt. 6 Ch. 6](#) (ss. 249-254) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 22, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**255 “Gross rate” and “gross amount” of distributions to include ACT.**

F729 .....



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**Textual Amendments**

**F729** S. 255 repealed (with effect in accordance with Sch. 3 para. 23(2) of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 3 para. 23\(1\)](#), [Sch. 27 Pt. 3\(2\)](#), Note

**PART VII**

**GENERAL PROVISIONS RELATING TO TAXATION OF INCOME OF INDIVIDUALS**

**CHAPTER I**

**PERSONAL RELIEFS**

*The reliefs*

**256 General.**

**F730** .....

**Textual Amendments**

**F730** S. 256 omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 1 para. 2\(a\)](#)

[<sup>F731</sup>**256A** Meaning of “adjusted net income”

**F732** .....

**Textual Amendments**

**F731** Ss. 256A, 256B inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 28](#) (with [Sch. 2](#))

**F732** S. 256A omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 1 para. 2\(b\)](#)

**256B** Meaning of “the minimum amount”

**F733** .....]

**Textual Amendments**

**F731** Ss. 256A, 256B inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 28](#) (with [Sch. 2](#))

**F733** S. 256B omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 1 para. 2\(c\)](#)

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## 257 Personal allowance.

F734 .....

### Textual Amendments

**F734** S. 257 omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 2(d)**

## [<sup>F735</sup>257AA Children's tax credit.

F736 .....

### Textual Amendments

**F735** S. 257AA inserted (with effect in accordance with s. 30(5) of the amending Act) by Finance Act 1999 (c. 16), **s. 30(1)**

**F736** S. 257AA repealed (6.4.2003) by Tax Credits Act 2002 (c. 21), s. 61, **Sch. 6**; S.I. 2003/962, art. 2(3) (e), **Sch. 1** (with arts. 3, 5)

## 257A Married couple's allowance [<sup>F737</sup>(pre-5th December 2005 marriages)].

F738 .....

### Textual Amendments

**F737** Words in s. 257A heading inserted (5.12.2005 with effect in accordance with reg. 1(4) of the amending S.I.) by The Tax and Civil Partnership Regulations 2005 (S.I. 2005/3229), **regs. 1(1), 51(5)**

**F738** Ss. 257A-257BB omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 2(e)**

## [<sup>F739</sup>257AB Married couple's allowance (post-5th December 2005 marriages and civil partnerships etc.)

F740 .....

### Textual Amendments

**F739** S. 257AB inserted (5.12.2005 with effect in accordance with reg. 1(4) of the amending S.I.) by The Tax and Civil Partnership Regulations 2005 (S.I. 2005/3229), **regs. 1(1), 52**

**F740** Ss. 257A-257BB omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 2(e)**

## [<sup>F741</sup>257BA Elections as to transfer of relief under section 257A [<sup>F742</sup>or 257AB].

F743 .....

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**Textual Amendments**

- F741** Ss. 257BA, 257BB substituted for s. 257B (16.7.1992 with application in relation to tax for the year 1993-94 and subsequent years of assessment) by Finance (No. 2) Act 1992 (c. 48), s. 20, Sch. 5 paras.2, 10.
- F742** Words in s. 257BA heading inserted (5.12.2005 with effect in accordance with reg. 1(4) of the amending S.I.) by The Tax and Civil Partnership Regulations 2005 (S.I. 2005/3229), regs. 1(1), 53(9)
- F743** Ss. 257A-257BB omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), Sch. 1 para. 2(e)

**F745 257BB Transfer of relief under section 257A where relief exceeds income<sup>F744</sup> or 257AB.]**

**F746** .....

**Textual Amendments**

- F744** Words in s. 257BB heading inserted (5.12.2005 with effect in accordance with reg. 1(4) of the amending S.I.) by The Tax and Civil Partnership Regulations 2005 (S.I. 2005/3229), regs. 1(1), 54(6)
- F745** Ss. 257BA, 257BB substituted for s. 257B (16.7.1992 with application in relation to tax for the year 1993-94 and subsequent years of assessment) by Finance (No. 2) Act 1992 (c. 48), s. 20, Sch. 5 paras.2, 10.
- F746** Ss. 257A-257BB omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), Sch. 1 para. 2(e)

**257C Indexation of amounts in <sup>F751</sup>sections 256B, 257<sup>F752</sup>, 257A and 257AB].**

**F753** .....

**Textual Amendments**

- F751** Words in s. 257C sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 34(3) (with Sch. 2)
- F752** Words in s. 257C sidenote substituted (5.12.2005 with effect in accordance with reg. 1(4) of the amending S.I.) by The Tax and Civil Partnership Regulations 2005 (S.I. 2005/3229), regs. 1(1), 55(d)
- F753** S. 257C omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), Sch. 1 para. 2(f)

**257D Transitional relief: husband with excess allowances.**

**F754** .....

**Textual Amendments**

- F754** Ss. 257D-257F repealed (with effect in accordance with s. 32(4), Sch. 20 Pt. 3(3) Note of the repealing Act) by Finance Act 1999 (c. 16), s. 32(2), Sch. 20 Pt. 3(3)

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## **257E Transitional relief: the elderly.**

F755 .....

### **Textual Amendments**

**F755** Ss. 257D-257F repealed (with effect in accordance with s. 32(4), Sch. 20 Pt. 3(3) Note of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 32(2), **Sch. 20 Pt. 3(3)**

## **257F Transitional relief: separated couples.**

F756 .....

### **Textual Amendments**

**F756** Ss. 257D-257F repealed (with effect in accordance with s. 32(4), Sch. 20 Pt. 3(3) Note of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 32(2), **Sch. 20 Pt. 3(3)**

## **<sup>F757</sup>258 Widower's or widow's housekeeper.**

.....

### **Textual Amendments**

**F757** S. 258 repealed (1988-89 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 25(3), **Sch.14 Part IV**

## **259 Additional relief in respect of children.**

F758 .....

### **Textual Amendments**

**F758** Ss. 259-261A repealed (with effect in accordance with s. 33(2), Sch. 20 Pt. 3(4) Note of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 33(1), **Sch. 20 Pt. 3(4)**

## **260 Apportionment of relief under section 259.**

F759 .....

### **Textual Amendments**

**F759** Ss. 259-261A repealed (with effect in accordance with s. 33(2), Sch. 20 Pt. 3(4) Note of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 33(1), **Sch. 20 Pt. 3(4)**

## **261 Claims under section 259 for year of marriage.**

F760 .....

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**Textual Amendments**

**F760** Ss. 259-261A repealed (with effect in accordance with s. 33(2), Sch. 20 Pt. 3(4) Note of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 33(1), **Sch. 20 Pt. 3(4)**

[<sup>F761</sup>**261A Additional relief in respect of children for year of separation.**

<sup>F762</sup> .....

**Textual Amendments**

**F761** S. 261A inserted (16.7.1992 with application in relation to tax for the year 1993-94 and subsequent years of assessment) by [Finance \(No. 2\) Act 1992 \(c. 48\)](#), s. 20, **Sch. 5 paras.6, 10**.

**F762** Ss. 259-261A repealed (with effect in accordance with s. 33(2), Sch. 20 Pt. 3(4) Note of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 33(1), **Sch. 20 Pt. 3(4)**

**262 Widow's bereavement allowance.**

<sup>F763</sup> .....

**Textual Amendments**

**F763** S. 262 repealed (with effect in accordance with s. 34(2), Sch. 20 Pt. 3(5) Note 1 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), s. 34(1), **Sch. 20 Pt. 3(5)** (with s. 34(3))

<sup>F764</sup>**263 Dependent relatives.**

.....

**Textual Amendments**

**F764** S. 263 repealed (1988-89 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 25(3), **Sch.14 Part IV**

<sup>F765</sup>**264 Claimant depending on services of a son or daughter.**

.....

**Textual Amendments**

**F765** S. 264 repealed (1988-89 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 25(3), **Sch.14 Part IV**

**265 Blind person's allowance.**

<sup>F766</sup> .....

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### Textual Amendments

**F766** S. 265 omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 2(g)**

## 266 Life assurance premiums.

(1) <sup>M28</sup>Subject to the provisions of this section, [<sup>F767</sup>section 274 and Schedules 14 and 15 and sections 192 to 194 of the Finance Act 2004,] an [<sup>F768</sup>eligible individual] who pays any such premium as is specified in subsection (2) below <sup>F769</sup> . . . shall (without making any claim) be entitled to relief under this section.

[<sup>F770</sup>(1A) For the purposes of subsection (1) above an individual is an eligible individual if the individual—

- (a) is resident in the United Kingdom, or
- (b) meets the conditions in section 56(3) of ITA 2007.]

(2) <sup>M29</sup>The premiums referred to in subsection (1) above are any premiums paid by an individual under a policy of insurance or contract for a deferred annuity, where—

- (a) the payments are made to —
  - [<sup>F771</sup>(i) a person who has permission under [<sup>F772</sup>Part 4A] of the Financial Services and Markets Act 2000 or under paragraph 15 of Schedule 3 to that Act (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to effect or carry out contracts of long-term insurance; or
  - (ii) a member of the Society who effects or carries out contracts of long-term insurance in accordance with Part 19 of the Financial Services and Markets Act 2000;]
  - (iv) in the case of a deferred annuity, the National Debt Commissioners; and
- (b) the insurance or, as the case may be, the deferred annuity is on the life of the individual or on the life of his spouse [<sup>F773</sup>or civil partner]; and
- (c) the insurance or contract was made by him or his spouse [<sup>F773</sup>or civil partner].

(3) Subject to subsections <sup>F774</sup> . . . (10) and (11) below, no relief under this section shall be given—

- (a) <sup>M30</sup>except in respect of premiums payable under policies for securing a capital sum on death, whether in conjunction with any other benefit or not;
- (b) <sup>M31</sup>in respect of premiums payable under any policy issued in respect of an insurance made after 19th March 1968 unless the policy is a qualifying policy;
- (c) <sup>M32</sup>in respect of premiums payable under any policy issued in respect of an insurance made after 13th March 1984 <sup>F775</sup> . . . ;
- (d) <sup>M33</sup>in respect of premiums payable during the period of deferment in respect of a policy of deferred assurance.

(4) <sup>M34</sup>Subject to [<sup>F776</sup>subsection] (8) below, relief under this section in respect of any premiums paid by an individual in a year of assessment shall be given by making good to the person to whom they are paid any deficiency arising from the deductions authorised under subsection (5) below; and this section and Schedule 14 shall have effect in relation to any premium or part of a premium which is paid otherwise than

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in the year of assessment in which it becomes due and payable as if it were paid in that year.

(5) Subject to the provisions of Schedule 14—

- (a) an individual resident in the United Kingdom who is entitled to relief under this section in respect of any premium may deduct from any payment in respect of the premium and retain an amount equal to [<sup>F777</sup>12.5 per cent] of the payment; and
- (b) the person to whom the payment is made shall accept the amount paid after the deduction in discharge of the individual's liability to the same extent as if the deduction had not been made and may recover the deficiency from the Board.

(6) <sup>F778</sup> .....

(6A) <sup>F778</sup> .....

(7) <sup>F779</sup> .....

(8) <sup>M35</sup>Where the individual is not resident in the United Kingdom [<sup>F780</sup>(but is entitled to relief by virtue of subsection (1A)(b))], subsection (4) above shall not apply but <sup>F781</sup> . . . the like relief shall be given to him under paragraph 6 of Schedule 14.

(9) <sup>M36</sup>Subsections (5) and (8) above shall apply in relation to an individual who is not resident in the United Kingdom but is a member of the armed forces of the Crown or the [<sup>F782</sup>spouse][<sup>F783</sup>or civil partner] of such a member as if the individual were so resident.

(10) <sup>M37</sup>Subsection (3)(b) above shall not apply—

- (a) to any policy of life insurance having as its sole object the provision on an individual's death or disability of a sum substantially the same as any amount then outstanding under a mortgage of his residence, or of any premises occupied by him for the purposes of a business, being a mortgage the principal amount secured by which is repayable by instalments payable annually or at shorter regular intervals; or
- (b) to any policy of life insurance issued in connection with an approved scheme as defined in Chapter I of Part XIV.

In the application of this subsection to Scotland, for any reference to a mortgage there shall be substituted a reference to a heritable security within the meaning of the <sup>M38</sup>Conveyancing (Scotland) Act 1924 (but including a security constituted by ex facie absolute disposition or assignation).

(11) <sup>M39</sup>Subsection (3)(a) and (d) above shall not affect premiums payable—

- (a) under policies or contracts made in connection with any superannuation or bona fide pension scheme for the benefit of the employees of any employer, or of persons engaged in any particular trade, profession, vocation or business, or for the benefit of the [<sup>F784</sup>spouse, [<sup>F785</sup>civil partner,] widow, widower [<sup>F786</sup>, surviving civil partner] or children or other dependants of any such employee or person,] or
- (b) under policies taken out by teachers in the schools known in the year 1918 as secondary schools, pending the establishment of a superannuation or pension scheme for those teachers.

(12) Schedule 14 shall have effect for the purpose of modifying, for certain cases, and supplementing the provisions of this section.

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[<sup>F787</sup>(13) In <sup>F788</sup> . . . Schedule 14, “friendly society” means the same as in the Friendly Societies Act 1992 (and includes any society that by virtue of section 96(2) of that Act is to be treated as a registered friendly society within the meaning of that Act).]

[<sup>F789</sup>(14) In subsection (2)(a)—  
 “contracts of long-term insurance” means contracts which fall within Part II of Schedule 1 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001; and  
 “member of the society” has the same meaning as in Lloyd’s Act 1982 <sup>M40</sup>.]

### Textual Amendments

- F767** Words in s. 266(1) substituted (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), s. 284(1), **Sch. 35 para. 9** (with [Sch. 36](#))
- F768** Words in s. 266(1) substituted (with effect in accordance with [Sch. 1 para. 7](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(2)(a)**
- F769** Words in s. 266(1) omitted (with effect in accordance with [Sch. 1 para. 7](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(2)(b)**
- F770** S. 266(1A) inserted (with effect in accordance with [Sch. 1 para. 7](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(3)**
- F771** S. 266(2)(a)(i)(ii) substituted for s. 266(2)(a)-(iii) (1.12.2001 in accordance with art. 1(2)(a) of the amending S.I.) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), **art. 18(2)**
- F772** Words in s. 266(2)(a)(i) substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), **Sch. 18 para. 58(2)** (with [Sch. 20](#)); S.I. 2013/423, art. 3, **Sch.**
- F773** Words in s. 266(2)(b)(c) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), **regs. 1(1)**, 57(2)
- F774** Word in s. 266(3) omitted (with effect in accordance with [Sch. 1 para. 7](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(4)**
- F775** Words in s. 266(3)(c) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 36\(2\)](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F776** Words in s. 266(4) substituted (with effect in accordance with [Sch. 1 para. 7](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(5)**
- F777** Words in s. 266(5)(a) substituted (from 6.4.1989) by [Finance Act 1988 \(c. 39\)](#), s. 29
- F778** S. 266(6)(6A) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 36\(4\)](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F779** S. 266(7) omitted (with effect in accordance with [Sch. 1 para. 7](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(6)**
- F780** Words in s. 266(8) substituted (with effect in accordance with [Sch. 1 para. 7](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), **Sch. 1 para. 3(7)**
- F781** Words in s. 266(8) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 36\(6\)\(c\)](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F782** Words in s. 266(9) substituted (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 35, **Sch. 3 para. 9(a)**
- F783** Words in s. 266(9) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), **regs. 1(1)**, 57(3)
- F784** Words in s. 266(11)(a) substituted (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 35, **Sch. 3 para. 9(b)**
- F785** Words in s. 266(11)(a) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), **regs. 1(1)**, 57(4)(a)
- F786** Words in s. 266(11)(a) inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), **regs. 1(1)**, 57(4)(b)



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- F787** S. 266(13) inserted (19.2.1993) by Finance (No. 2) Act 1992 (c. 48), s. 56, **Sch. 9 paras. 2(3)**; S.I. 1993/236, **art.2**
- F788** Words in s. 266(13) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), **Sch. 1 para. 36(7)**, **Sch. 3 Pt. 1** (with **Sch. 2**)
- F789** S. 266(14) added (1.12.2001 in accordance with art. 1(2)(a) of the amending S.I.) by The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), **art. 18(3)**

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

- C13** S. 266 relief abolished and s. 266 restricted by Finance Act 2012 (c. 14), **Sch 39 para. 23**

#### Marginal Citations

- M28** Source-1970 s.19(1); 1976 Sch.4 3(1)
- M29** Source-1970 s.19(2); 1976 s.36(5), Sch.4 3(2)
- M30** Source-1970 s.19(3)(a)
- M31** Source-1970 s.19(4)
- M32** Source-1984 s.72(1)
- M33** Source-1970 s.19(3)(b)
- M34** Source-1976 Sch.4 4(1) 5; 1978 Sch.3 2; 1980 s.29(2)(b)
- M35** Source-1976 Sch.4 4(2)
- M36** Source-1976 Sch.4 5A; 1978 Sch.3 5
- M37** Source-1970 s.19(4)(a), (c); 1971 Sch.3 11
- M38** 1924 c. 27.
- M39** Source-1970 s.19(3)(i)(ii)
- M40** 1982 c. xiv.

### [<sup>F790</sup>266A] Life assurance premiums paid by employer

- (1) This section applies if—
- pursuant to [<sup>F791</sup>an employer-financed] retirement benefits scheme, the employer in any year of assessment pays a sum with a view to the provision of any relevant benefits for or in respect of any employee of that employer, and
  - the payment is made under such an insurance or contract as is mentioned in section 266.

This section applies whether or not the accrual of the relevant benefits is dependent on any contingency.

- (2) Relief, if not otherwise allowable, shall be given to that employee under section 266 in respect of the payment to the extent, if any, to which such relief would have been allowable to him if—
- the payment had been made by him, and
  - the insurance or contract under which the payment is made had been made with him.

[<sup>F792</sup>(3) For the purposes of subsection (1)(a) benefits are provided in respect of an employee if they are provided for the employee's spouse, widow or widower, children, dependants or personal representatives.

- (4) If a sum within subsection (1) is paid with a view to the provision of benefits for or in respect of more than one employee of the employer, part of it is to be treated as paid for or in respect of each of them.

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(5) The amount treated as paid for or in respect of each employee is—

$$A \times \frac{B}{C}$$

where—

A is the sum paid,

B is the amount which would have had to be paid to secure the benefits to be provided for or in respect of the employee in question, and

C is the total amount which would have had to be paid to secure the benefits to be provided for or in respect of all the employees if separate payments had been made in the case of each of them.

(6) This section does not apply if—

- (a) in the year of assessment in which the sum is paid the earnings from the employee's employment are (or, if there are none, would be if there were any) earnings charged on remittance, or
- (b) the employee is not domiciled in the United Kingdom in the tax year in which the sum is paid and the conditions in subsection (7) are met.

(7) Those conditions are—

- (a) that the employment is with a foreign employer, and
- (b) that, on a claim made by the employee, the Board are satisfied that the pension scheme corresponds to a registered pension scheme.

(8) In subsection (6)(a) “earnings charged on remittance” means earnings which are taxable earnings under—

- (a) section 22 of ITEPA 2003 (chargeable overseas earnings for year when [<sup>F793</sup>remittance basis applies and employee outside section 26]), or
- (b) section 26 of that Act (foreign earnings for year when [<sup>F794</sup>remittance basis applies and employee meets section 26A requirement]).

(9) In this section—

“employer-financed retirement benefits scheme”, and  
 “relevant benefits”,

have the same meaning as in Chapter 2 of Part 6 of ITEPA 2003 (see sections 393A and 393B of that Act).]]

#### Textual Amendments

**F790** S. 266A inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by *Income Tax (Earnings and Pensions) Act 2003 (c. 1)*, **Sch. 6 para. 36** (with Sch. 7)

**F791** Words in s. 266A(1) substituted (6.4.2006) by *Finance Act 2004 (c. 12)*, s. 284(1), **Sch. 35 para. 10(2)** (with Sch. 36)

**F792** S. 266A(3)-(9) substituted for s. 266A(3)-(6) (6.4.2006) by *Finance Act 2004 (c. 12)*, s. 284(1), **Sch. 35 para. 10(3)** (with Sch. 36)

**F793** Words in s. 266A(8)(a) substituted (with effect in accordance with Sch. 46 para. 25 of the amending Act) by *Finance Act 2013 (c. 29)*, **Sch. 46 para. 16(a)** (with Sch. 46 para. 26)

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**F794** Words in s. 266A(8)(b) substituted (with effect in accordance with Sch. 46 para. 25 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 46 para. 16(b)** (with Sch. 46 para. 26)

## 267 Qualifying policies.

Schedule 15, Part I of which contains the basic rules for determining whether or not a policy is a qualifying policy, Part II of which makes provision for the certification etc. of policies as qualifying policies and Part III of which modifies Parts I and II in their application to certain policies issued by non-resident companies, shall have effect for the purpose of determining whether or not a policy is a qualifying policy; and, accordingly, any reference in this Act to a qualifying policy shall be construed in accordance with that Schedule.

## 268 Early conversion or surrender of life policies.

F795 .....

### Textual Amendments

**F795** Ss. 268-272 omitted (with effect in accordance with Sch. 39 para. 31(3) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 31(1)**

## 269 Surrender etc. of policies after four years.

F796 .....

### Textual Amendments

**F796** Ss. 268-272 omitted (with effect in accordance with Sch. 39 para. 31(3) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 31(1)**

## 270 Provisions supplementary to sections 268 and 269.

F797 .....

### Textual Amendments

**F797** Ss. 268-272 omitted (with effect in accordance with Sch. 39 para. 31(3) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 31(1)**

## 271 Deemed surrender in cases of certain loans.

F798 .....

### Textual Amendments

**F798** Ss. 268-272 omitted (with effect in accordance with Sch. 39 para. 31(3) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 31(1)**

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## 272 Collection of sums payable under sections 268 and 269.

F799 .....

### Textual Amendments

**F799** Ss. 268-272 omitted (with effect in accordance with Sch. 39 para. 31(3) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 31(1)**

## 273 Payments securing annuities.

F800 .....

### Textual Amendments

**F800** S. 273 omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 2(h)**

## 274 Limits on relief under [<sup>F801</sup>section 266].

- (1) <sup>M41</sup>The aggregate of the premiums <sup>F802</sup> . . . in respect of which relief is given to any person under section 266 shall not exceed £1,500 in any year of assessment or one-sixth of that person's total income, whichever is the greater.
- (2) <sup>M42</sup>The aggregate of the relief given under [<sup>F803</sup>section 266] in respect of premiums <sup>F804</sup> . . . payable for securing any benefits other than capital sums on death shall not exceed the amount of the income tax calculated at [<sup>F805</sup>12.5%] on £100.
- (3) <sup>F806</sup> .....
- (4) <sup>M43</sup>War insurance premiums shall not be taken into account in calculating the limits of one-sixth of total income or of £100 mentioned in this section.

In this subsection “war insurance premiums” means any additional premium <sup>F807</sup> . . . paid in order to extend an existing life insurance policy to risks arising from war or war service abroad, and any part of any premium <sup>F807</sup> . . . paid in respect of a life insurance policy covering those risks, or either of them, which [<sup>F808</sup>is] attributable to those risks, or either of them.

### Textual Amendments

**F801** Word in s. 274 heading substituted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 1 para. 4(6)**

**F802** Words in s. 274(1) omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 4(2)**

**F803** Words in s. 274(2) substituted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 1 para. 4(3)(a)**

**F804** Words in s. 274(2) omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 4(3)(b)**

**F805** Words in s. 274(2) substituted (with effect in accordance with Sch. 1 para. 7 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 1 para. 4(3)(c)**

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- F806** S. 274(3) omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 4(4)**
- F807** Words in s. 274(4) omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 4(5)**
- F808** Word in s. 274(4) substituted (with effect in accordance with s. 134(2) of the amending Act) by Finance Act 1996 (c. 8), **Sch. 20 para. 20**

**Marginal Citations**

- M41** Source-1970 s.21(1); 1976 Sch.4 21
- M42** Source-1970 s.21(3); 1975 Sch.2 6
- M43** Source-1970 s.21(5)

*Supplemental*

**F809 275 Meaning of “relative”.**

.....

**Textual Amendments**

- F809** S. 275 repealed (1988-89 and subsequent years) by Finance Act 1988 (c. 39), s. 148, **Sch. 14 Part IV**

**276 Effect on relief of charges on income.**

**F810** .....

**Textual Amendments**

- F810** S. 276 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 38, **Sch. 3 Pt. 1** (with Sch. 2)

**277 Partners.**

**F811** .....

**Textual Amendments**

- F811** S. 277 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

**278 Non-residents.**

**F812** .....

**Textual Amendments**

- F812** S. 278 omitted (with effect in accordance with Sch. 1 para. 7 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 1 para. 2(i)**

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## CHAPTER II

### TAXATION OF INCOME OF SPOUSES<sup>F813</sup> AND CIVIL PARTNERS]

#### Textual Amendments

**F813** Words in Pt. 7 Ch. 2 heading inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), [regs. 1\(1\)](#), 61

#### *General rules*

#### <sup>F814</sup>**279** Aggregation of wife's income with husband's.

.....

#### Textual Amendments

**F814** S. 279 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), ss. 32, 148, [Sch. 14 Part VIII](#)

#### <sup>F815</sup>**280** Transfer of reliefs.

.....

#### Textual Amendments

**F815** S. 280 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, [Sch. 14 Part VIII](#)

#### <sup>F816</sup>**281** Tax repayments to wives.

.....

#### Textual Amendments

**F816** S. 281 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, [Sch. 14 Part VIII](#)

#### **282** Construction of references to [<sup>F817</sup>spouses or civil partners] living together.

.....

<sup>F818</sup> .....

#### Textual Amendments

**F817** Words in s. 282 heading substituted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), [regs. 1\(1\)](#), 62(b)

*Status: Point in time view as at 19/07/2013.*

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**F818** S. 282 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 41, **Sch. 3 Pt. 1** (with Sch. 2)

**[<sup>F819</sup>282A] Jointly held property.**

**F820** .....

**Textual Amendments**

**F819** Ss. 282A, 282B inserted (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 34

**F820** Ss. 282A, 282B repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 42, **Sch. 3 Pt. 1** (with Sch. 2)

**282B Jointly held property: declarations.**

**F821** .....

**Textual Amendments**

**F821** Ss. 282A, 282B repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 42, **Sch. 3 Pt. 1** (with Sch. 2)

*Separate assessments*

**<sup>F822</sup>283 Option for separate assessment.**

.....

**Textual Amendments**

**F822** Ss. 283-288 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Part VIII**

**<sup>F823</sup>284 Effect of separate assessment on personal reliefs.**

.....

**Textual Amendments**

**F823** Ss. 283-288 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Part VIII**

**<sup>F824</sup>285 Collection from wife of tax assessed on husband but attributable to her income.**

.....

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**Textual Amendments**

**F824** Ss. 283-288 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Part VIII**

**<sup>F825</sup>286 Right of husband to disclaim liability for tax on deceased wife's income.**

.....

**Textual Amendments**

**F825** Ss. 283-288 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Part VIII**

*Separate taxation*

**<sup>F826</sup>287 Separate taxation of wife's earnings.**

.....

**Textual Amendments**

**F826** Ss. 283-288 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Part VIII**

**<sup>F827</sup>288 Elections under section 287.**

.....

**Textual Amendments**

**F827** Ss. 283-288 repealed (1990-91 and subsequent years) by [Finance Act 1988 \(c. 39\)](#), s. 148, **Sch. 14 Part VIII**

[<sup>F828</sup>**CHAPTER III**

**ENTERPRISE INVESTMENT SCHEME]**

**Textual Amendments**

**F828** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 627, **Sch. 3 Pt. 2** (with savings in s. 1034(3), Sch. 2)



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## 289 Eligibility for relief.

F829 .....

### Textual Amendments

**F829** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 289(9) amended (as saved) (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\), Sch. 16 paras. 16\(1\)\(a\), 18](#); and s. 289 further amended (as saved) (17.7.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Income Tax Act 2007 \(Amendment\) \(No. 2\) Order 2007 \(S.I. 2007/1820\), arts. 1\(1\), 2\(2\)](#)

## [<sup>F830</sup>289A] Form of relief.

F831 .....]

### Textual Amendments

**F830** Ss. 289-289B substituted for s. 289 (with effect in accordance with s. 137(2) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 137\(1\), Sch. 15 para. 2](#)

**F831** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

## [<sup>F832</sup>289B] Attribution of relief to shares.

F833 .....]

### Textual Amendments

**F832** Ss. 289-289B substituted for s. 289 (with effect in accordance with s. 137(2) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 137\(1\), Sch. 15 para. 2](#)

**F833** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

## 290 Minimum and maximum subscriptions.

F834 .....

### Textual Amendments

**F834** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

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**[<sup>F835F836</sup>290A Restriction of relief where amounts raised exceed permitted maximum.**

.....]

**Textual Amendments**

**F835** S. 290A inserted (retrospectively) by [Finance Act 1988 \(c. 39\)](#) s. 51(1)(b)

**F836** S. 290A repealed (with effect in accordance with s. 74(3), Sch. 27 Pt. 3(14) Note 4 of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 13 para. 5](#), [Sch. 27 Pt. 3\(14\)](#)

**291 Individuals qualifying for relief.**

<sup>F837</sup> .....

**Textual Amendments**

**F837** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**[<sup>F838</sup>291A Connected persons: directors.**

<sup>F839</sup> .....

**Textual Amendments**

**F838** Ss. 291-291B substituted for s. 291 (with effect in accordance with s. 137(2) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 137(1), [Sch. 15 para. 5](#)

**F839** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**[<sup>F840</sup>291B Connected persons: persons interested in capital etc. of company.**

<sup>F841</sup> .....

**Textual Amendments**

**F840** Ss. 291-291B substituted for s. 291 (with effect in accordance with s. 137(2) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 137(1), [Sch. 15 para. 5](#)

**F841** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 291B amended (as saved) (17.7.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Income Tax Act 2007 \(Amendment\) \(No. 2\) Order 2007 \(S.I. 2007/1820\)](#), [arts. 1\(1\), 2\(2\)](#)

**292 Parallel trades.**

<sup>F842</sup> .....

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**Textual Amendments**

**F842** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**293 Qualifying companies.**

**F843** .....

**Textual Amendments**

**F843** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 293 amended (as saved) (17.7.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Income Tax Act 2007 \(Amendment\) \(No. 2\) Order 2007 \(S.I. 2007/1820\), arts. 1\(1\), 2\(2\)](#)

**294 Companies with interests in land.**

**F844** .....

**Textual Amendments**

**F844** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**295 Valuation of interests in land for purposes of section 294(1)(b).**

**F845** .....

**Textual Amendments**

**F845** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**296 Section 294 disapplied where amounts raised total £50,000 or less.**

**F846** .....

**Textual Amendments**

**F846** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

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## 297 Qualifying trades.

F847 .....

### Textual Amendments

**F847 Pt. 7 Ch. 3** (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 297 amended (as saved) (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\), Sch. 16 paras. 11\(1\), 13, Sch. 27 Pt. 2\(16\)](#), Note

## 298 Provisions supplementary to sections 293 and 297.

F848 .....

### Textual Amendments

**F848 Pt. 7 Ch. 3** (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 298 amended (as saved) (17.7.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Income Tax Act 2007 \(Amendment\) \(No. 2\) Order 2007 \(S.I. 2007/1820\), arts. 1\(1\), 2\(3\)](#)

## 299 Disposal of shares.

F849 .....

### Textual Amendments

**F849 Pt. 7 Ch. 3** (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 299 (as saved) applied (with modifications) by s. 149(1)(a) of that repealing Act

## [<sup>F850</sup>299A] Loan linked investments.

F851 .....

### Textual Amendments

**F850 S. 299A** inserted (27.7.1993 with application in relation to any case in which the claim for relief is made on or after 16.3.1993) by [1993 c. 34, s. 111\(1\)\(4\)](#)

**F851 Pt. 7 Ch. 3** (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

## [<sup>F852</sup>299B] Pre-arranged exits.

F853 .....

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**Textual Amendments**

- F852** S. 299B inserted (with effect in accordance with s. 71(5) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [s. 71\(1\)](#)
- F853** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

**300 Value received from company.**

**F854** .....

**Textual Amendments**

- F854** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

[<sup>F855</sup>**300A** Receipt of replacement value

**F856** .....]

**Textual Amendments**

- F855** S. 300A inserted (with effect in accordance with [Sch. 15 para. 40\(3\)](#) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), [Sch. 15 para. 16](#)
- F856** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

**301 Provisions supplementary to section 300.**

**F857** .....

**Textual Amendments**

- F857** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

[<sup>F858</sup>**301A** Receipts of insignificant value: supplementary provision

**F859** .....]

**Textual Amendments**

- F858** S. 301A inserted (with effect in accordance with [Sch. 15 para. 40\(3\)](#) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), [Sch. 15 para. 18](#)

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**F859** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**302 Replacement capital.**

**F860** .....

**Textual Amendments**

**F860** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**303 Value received by persons other than claimants.**

**F861** .....

**Textual Amendments**

**F861** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**[<sup>F862</sup>303AA Significant repayments disregarded for purposes of s.303(1)**

**F863** .....]

**Textual Amendments**

**F862** S. 303AA inserted (with effect in accordance with [Sch. 15 para. 40\(3\)](#) of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 15 para. 20](#)

**F863** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

**[<sup>F864</sup>303AR Restriction on withdrawal of relief under section 303.**

**F865** .....]

**Textual Amendments**

**F864** S. 303A inserted (with effect in accordance with s. 63(4) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 16 para. 2\(3\)](#)

**F865** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

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**304** [<sup>F866</sup>**Spouses and civil partners.**]

F867 .....

**Textual Amendments**

- F866** S. 304 heading substituted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), [regs. 1\(1\)](#), 65(c)
- F867** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

[<sup>F868</sup>**304A**Acquisition of share capital by new company.

F869 .....]

**Textual Amendments**

- F868** S. 304A inserted (with effect in accordance with s. 74(3), [Sch. 13 para. 17\(2\)](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 13 para. 17\(1\)](#); and see also the s. 304A inserted (with effect in accordance with s. 74(3), [Sch. 13 para. 41\(2\)](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 13 paras. 37](#), [41\(1\)](#)
- F869** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#)); and s. 304A amended (as saved) (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 16 paras. 11\(2\)](#), [13](#)

**305** **Reorganisation of share capital.**

F870 .....

**Textual Amendments**

- F870** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

[<sup>F871</sup>**305A**Relief for loss on disposal of shares.

F872 .....]

**Textual Amendments**

- F871** S. 305A inserted (with effect in accordance with s. 137(2) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), s. 137(1), [Sch. 15 para. 20](#)
- F872** S. 305A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 43](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**Status:** Point in time view as at 19/07/2013.

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### 306 Claims.

F873

#### Textual Amendments

**F873** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

### 307 Withdrawal of relief.

F874

#### Textual Amendments

**F874** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2)

### 308 Application to subsidiaries.

F875

#### Textual Amendments

**F875** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 627, Sch. 3 Pt. 2](#) (with savings in s. 1034(3), Sch. 2); and s. 308 amended (as saved) (17.7.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Income Tax Act 2007 \(Amendment\) \(No. 2\) Order 2007 \(S.I. 2007/1820\), arts. 1\(1\), 2\(2\)](#)

### 309 Further provisions as to subsidiaries.

F876

#### Textual Amendments

**F876** S. 309 repealed (with effect as mentioned in s. 137(1)(2), Sch. 26 Pt. 5(17) Note of the repealing Act) by [Finance Act 1994 \(c. 9\), Sch. 15 para. 24, Sch. 26 Pt. 5\(17\)](#)

### 310 Information.

F877



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**Textual Amendments**

**F877** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

**311 Nominees, bare trustees and approved investment funds.**

**F878** .....

**Textual Amendments**

**F878** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#))

**312 Interpretation of Chapter III.**

**F879** .....

**Textual Amendments**

**F879** Pt. 7 Ch. 3 (ss. 289-312), except s. 305A, repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 627](#), [Sch. 3 Pt. 2](#) (with savings in s. 1034(3), [Sch. 2](#)); and s. 312 amended (as saved) (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 44](#) (with [Sch. 2](#)); and s. 312 further amended (as saved) (retrospective to 6.4.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 16 paras. 16\(1\)\(b\), 18](#), [Sch. 27 Pt. 2\(16\)](#), Note; and s. 312 further amended (as saved) (17.7.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Income Tax Act 2007 \(Amendment\) \(No. 2\) Order 2007 \(S.I. 2007/1820\)](#), [arts. 1\(1\), 2\(4\)\(5\)](#); and s. 312 further amended (as saved) (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 26 para. 7\(3\)](#)

**CHAPTER IV**

**SPECIAL PROVISIONS**

**313 Taxation of consideration for certain restrictive undertakings.**

**F880** .....

**Textual Amendments**

**F880** S. 313 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 39](#), [Sch. 8 Pt. 1](#) (with [Sch. 7](#))

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### 314 Divers and diving supervisors.

F881 .....

#### Textual Amendments

**F881** S. 314 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 128, Sch. 3](#) (with Sch. 2)

### 315 Wounds and disability pensions.

F882 .....

#### Textual Amendments

**F882** Ss. 315-318 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 41, Sch. 8 Pt. 1](#) (with Sch. 7)

### 316 Allowances, bounties and gratuities.

F883 .....

#### Textual Amendments

**F883** Ss. 315-318 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 41, Sch. 8 Pt. 1](#) (with Sch. 7)

### 317 Victoria Cross and other awards.

F884 .....

#### Textual Amendments

**F884** Ss. 315-318 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 41, Sch. 8 Pt. 1](#) (with Sch. 7)

### 318 Other pensions in respect of death due to war service etc.

F885 .....

#### Textual Amendments

**F885** Ss. 315-318 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 41, Sch. 8 Pt. 1](#) (with Sch. 7)

### 319 Crown servants: foreign service allowance.

F886 .....

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**Textual Amendments**

**F886** S. 319 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 42, **Sch. 8 Pt. 1** (with Sch. 7)

**320 Commonwealth Agents-General and official agents etc.**

**F887** .....

**Textual Amendments**

**F887** S. 320 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 45, **Sch. 3 Pt. 1** (with Sch. 2)

**321 Consuls and other official agents.**

**F888** .....

**Textual Amendments**

**F888** S. 321 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 43, **Sch. 8 Pt. 1** (with Sch. 7)

**322 Consular officers and employees.**

**F889** .....

**Textual Amendments**

**F889** S. 322 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), Sch. 1 para. 129, **Sch. 3** (with Sch. 2)

**323 Visiting forces.**

**F890** .....

**Textual Amendments**

**F890** S. 323 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 46, **Sch. 3 Pt. 1** (with Sch. 2)

**324 Designated international organisations.**

**F891** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F891** S. 324 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 130, Sch. 3](#) (with Sch. 2)

**325 Interest on deposits with National Savings Bank.**

**F892** .....

**Textual Amendments**

**F892** S. 325 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 131, Sch. 3](#) (with Sch. 2)

**326 Interest etc. under contractual savings schemes.**

**F893** .....

**Textual Amendments**

**F893** S. 326 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 132, Sch. 3](#) (with Sch. 2)

[<sup>F894</sup>**326A** Tax-exempt special savings accounts.

**F895** .....]

**Textual Amendments**

**F894** Ss. 326A-326C inserted by [Finance Act 1990 \(c. 29\), s. 28\(1\)](#)  
**F895** Ss. 326A-326D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 133, Sch. 3](#) (with Sch. 2)

[<sup>F896</sup>**326B** Loss of exemption for special savings accounts.

**F897** .....]

**Textual Amendments**

**F896** Ss. 326A-326C inserted by [Finance Act 1990 \(c. 29\), s. 28\(1\)](#)  
**F897** Ss. 326A-326D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 133, Sch. 3](#) (with Sch. 2)

[<sup>F898</sup>**326BB** Follow-up TESSAs.

**F899** .....]

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**Textual Amendments**

- F898** S. 326BB inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 62\(2\)](#)
- F899** Ss. 326A-326D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 133, Sch. 3 \(with Sch. 2\)](#)

[<sup>F900</sup>**326C**Tax-exempt special savings accounts: supplementary.

<sup>F901</sup> .....

**Textual Amendments**

- F900** Ss. 326A-326C inserted by [Finance Act 1990 \(c. 29\), s. 28\(1\)](#)
- F901** Ss. 326A-326D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 133, Sch. 3 \(with Sch. 2\)](#)

[<sup>F902</sup>**326D**Tax-exempt special savings accounts: tax representatives.

<sup>F903</sup> .....

**Textual Amendments**

- F902** S. 326D inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 63\(4\)](#)
- F903** Ss. 326A-326D repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 133, Sch. 3 \(with Sch. 2\)](#)

**327 Disabled person’s vehicle maintenance grant.**

<sup>F904</sup> .....

**Textual Amendments**

- F904** S. 327 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 134, Sch. 3 \(with Sch. 2\)](#)

[<sup>F905</sup>**327A**Payments to adopters

<sup>F906</sup> .....

**Textual Amendments**

- F905** S. 327A inserted (with effect in accordance with s. 175(2) of the amending Act) by [Finance Act 2003 \(c. 14\), s. 175\(1\)](#)
- F906** S. 327A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 135, Sch. 3 \(with Sch. 2\)](#)

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**F907 328 Funds in court.**

.....

**Textual Amendments**  
**F907** S. 328 repealed (with effect in accordance with s. 68(3)-(5) of the repealing Act) by [Finance Act 1999](#) (c. 16), s. 68(2), **Sch. 20 Pt. 3(17)**, Note

**329 Interest on damages for personal injuries.**

**F908** .....

**Textual Amendments**  
**F908** Ss. 329-329AB repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), **Sch. 1** para. 136, **Sch. 3** (with **Sch. 2**)

**[F909 329AA Personal injury damages in the form of periodical payments.**

**F910** .....

**Textual Amendments**  
**F909** Ss. 329AA, 329AB inserted (with effect in accordance with s. 150(2)-(4) of the amending Act) by [Finance Act 1996](#) (c. 8), s. 150(1), **Sch. 26**  
**F910** Ss. 329-329AB repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), **Sch. 1** para. 136, **Sch. 3** (with **Sch. 2**)

**329AB Compensation for personal injury under statutory or other schemes.**

**F911** .....]

**Textual Amendments**  
**F909** Ss. 329AA, 329AB inserted (with effect in accordance with s. 150(2)-(4) of the amending Act) by [Finance Act 1996](#) (c. 8), s. 150(1), **Sch. 26**  
**F911** Ss. 329-329AB repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005](#) (c. 5), **Sch. 1** para. 136, **Sch. 3** (with **Sch. 2**)

**[F912F913 329A Annuities purchased for certain persons.**

.....

**Textual Amendments**  
**F912** Ss. 329A, 329B inserted (1.5.1995) by [Finance Act 1995](#) (c. 4), **s. 142**

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**F913** Ss. 329A-329C repealed and superseded (29.4 1996) by Finance Act 1996 (c. 8), s. 150(2)(3), **Sch. 41 Pt. 5(16)** (with s. 150(4))

**F914** **329B Annuities assigned in favour of certain persons.**

.....]

**Textual Amendments**

**F912** Ss. 329A, 329B inserted (1.5.1995) by Finance Act 1995 (c. 4), s. 142

**F914** Ss. 329A-329C repealed and superseded (29.4 1996) by Finance Act 1996 (c. 8), s. 150(2)(3), **Sch. 41 Pt. 5(16)** (with s. 150(4))

**[F915F916** **329C Annuities: criminal injuries.**

.....]

**Textual Amendments**

**F915** S. 329C inserted (8.11.1995) by Criminal Injuries Compensation Act 1995 (c. 53), s. 8

**F916** Ss. 329A-329C repealed and superseded (29.4 1996) by Finance Act 1996 (c. 8), s. 150(2)(3), **Sch. 41 Pt. 5(16)** (with s. 150(4))

**330 Compensation for National-Socialist persecution.**

**F917** .....

**Textual Amendments**

**F917** S. 330 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 46, **Sch. 8 Pt. 1** (with Sch. 7)

**331 Scholarship income.**

**F918** .....

**Textual Amendments**

**F918** S. 331 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 137, **Sch. 3** (with Sch. 2)

**[F919** **331A Student loans: certain interest to be disregarded.**

**F920** .....

**Textual Amendments**

**F919** S. 331A inserted (27.7.1999) by Finance Act 1999 (c. 16), s. 60

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**F920** S. 331A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 138, Sch. 3 \(with Sch. 2\)](#)

### **332 Expenditure and houses of ministers of religion.**

- (1) <sup>F921</sup> .....
- (2) <sup>F921</sup> .....
- (3) <sup>F922</sup> .....
- [<sup>F923</sup>(3A) <sup>F924</sup> .....
- (3B) <sup>F924</sup> .....]
- (4) <sup>F924</sup> .....

#### **Textual Amendments**

- F921** S. 332(1)(2) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 47\(2\), Sch. 8 Pt. 1 \(with Sch. 7\)](#)
- F922** S. 332(3) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 139, Sch. 3 \(with Sch. 2\)](#)
- F923** S. 332(3A)(3B) inserted (with effect in accordance with s. 57(4) of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 12 para. 10](#)
- F924** S. 332(3A)(3B)(4) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 47\(4\), Sch. 8 Pt. 1 \(with Sch. 7\)](#)

### [<sup>F925</sup>**332A** Venture capital trusts: relief.

<sup>F926</sup> .....

#### **Textual Amendments**

- F925** S. 332A inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 71\(1\)](#)
- F926** S. 332A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 47, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

### [<sup>F927</sup>**333** Investment plan regulations

Regulations under Chapter 3 of Part 6 of ITTOIA 2005 (income from individual investment plans) may include provision generally for the purpose of the administration of corporation tax in relation to plans.]

#### **Textual Amendments**

- F927** S. 333 substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 141 \(with Sch. 2\)](#)



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[<sup>F928</sup>**333A** **Personal equity plans: tax representatives.**

<sup>F929</sup> .....

**Textual Amendments**

**F928** S. 333A inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 64\(1\)](#)

**F929** S. 333A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 142, Sch. 3 \(with Sch. 2\)](#)

[<sup>F930</sup>**333B** **Involvement of insurance companies with plans and accounts.**

<sup>F931</sup> .....

**Textual Amendments**

**F930** S. 333B inserted (31.7.1998) by [Finance Act 1998 \(c. 36\), s. 77\(1\)](#)

**F931** S. 333B repealed (with effect in accordance with s. 38(2) of the repealing Act) by [Finance Act 2007 \(c. 11\), Sch. 7 para. 4, Sch. 27 Pt. 2\(7\), Note \(with Sch. 7 Pt. 2\)](#)

**CHAPTER V**

**RESIDENCE OF INDIVIDUALS**

**334 Commonwealth citizens and others temporarily abroad.**

<sup>F932</sup> .....

**Textual Amendments**

**F932** S. 334 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 48, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**335 Residence of persons working abroad.**

<sup>F933</sup> .....

**Textual Amendments**

**F933** S. 335 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 49, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**336 Temporary residents in the United Kingdom.**

<sup>F934</sup> .....

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#### Textual Amendments

**F934** S. 336 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 50, Sch. 3 Pt. 1](#) (with Sch. 2)

## PART VIII

### TAXATION OF INCOME AND CHARGEABLE GAINS OF COMPANIES

#### *Taxation of income*

### 337 Company beginning or ceasing to carry on trade

F935 .....

#### Textual Amendments

**F935** S. 337 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 103, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

### [<sup>F936</sup> [<sup>F937</sup> **337A** **Computation of company's profits or income: exclusion of general deductions**

(1) <sup>F938</sup> .....

(2) <sup>F939</sup> .....]]

#### Textual Amendments

**F936** Ss. 337, 337A substituted (24.7.2002) by [Finance Act 2002 \(c. 23\), Sch. 30 para. 1\(1\)](#)

**F937** S. 337A inserted (with effect in accordance with s. 105(1) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 14 para. 15](#) (with Sch. 15)

**F938** S. 337A(1) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 23, Sch. 3 Pt. 1](#) (with Sch. 2)

**F939** S. 337A(2) repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 7 para. 37, Sch. 10 Pt. 12](#) (with Sch. 9)

### 338 Charges on income deducted from total profits

F940 .....

#### Textual Amendments

**F940** S. 338 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 24, Sch. 3 Pt. 1](#) (with Sch. 2)

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[<sup>F941</sup>**338** **Meaning of “charges on income”**

<sup>F942</sup> .....]

**Textual Amendments**

**F941** Ss. 338-338B substituted for s. 338 (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), **Sch. 30 para. 1(2)**

**F942** S. 338A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 25**, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F943</sup>**338B** **Charges on income: annuities or other annual payments**

<sup>F944</sup> .....]

**Textual Amendments**

**F943** Ss. 338-338B substituted for s. 338 (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), **Sch. 30 para. 1(2)**

**F944** S. 338B repealed (with effect in accordance with s. 38(7) of the repealing Act) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), **Sch. 11 Pt. 2(7)**, Note

**339 Charges on income: donations to charity.**

<sup>F945</sup> .....

**Textual Amendments**

**F945** S. 339 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 26**, **Sch. 3 Pt. 1** (with Sch. 2); and s. 339 amended (1.4.2010 with effect in accordance with art. 5(2) of the amending S.I.) by The Enactment of [Extra-Statutory Concessions Order 2010 \(S.I. 2010/157\)](#), **arts. 1, 5(1)**

[<sup>F946</sup><sup>F947</sup>**339A** .....

.....]

**Textual Amendments**

**F946** S. 339A inserted (in relation to accounting periods ending on or after 1 October 1990) by [Finance Act 1990 \(c. 29\)](#), **s. 27(3)(4)**

**F947** S. 339A repealed (in relation to accounting periods beginning on or after 19.3.1991) by [Finance Act 1991 \(c. 31\)](#), ss. 71(1)(3), 123, **Sch. 19 Pt. V**, Note 5; and s. 339A modified in its application to accounting periods beginning before 19.3.1991 and ending on or after that date by s. 71(4) of that repealing Act

<sup>F948</sup>**340 Charges on income: interest payable to non-residents.**

.....

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#### Textual Amendments

**F948** S. 340 repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996](#) (c. 8), Sch. 14 para. 17, **Sch. 41 Pt. 5(3)**, Note (with Sch. 15)

### <sup>F949</sup>**341 Payments of interest etc. between related companies.**

.....

#### Textual Amendments

**F949** S. 341 repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996](#) (c. 8), Sch. 14 para. 17, **Sch. 41 Pt. 5(3)**, Note (with Sch. 15)

### **342 Tax on company in liquidation.**

**F950** .....

#### Textual Amendments

**F950** S. 342 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010](#) (c. 4), Sch. 1 para. 27, **Sch. 3 Pt. 1** (with Sch. 2)

### [<sup>F951</sup>**342A** Tax on companies in administration

**F952** .....]

#### Textual Amendments

**F951** S. 342A inserted (with effect in accordance with [Sch. 41 para. 5\(1\)](#) of the amending Act) by [Finance Act 2003](#) (c. 14), **Sch. 41 para. 3**

**F952** S. 342A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010](#) (c. 4), Sch. 1 para. 28, **Sch. 3 Pt. 1** (with Sch. 2)

### **343 Company reconstructions without a change of ownership.**

**F953** .....

#### Textual Amendments

**F953** S. 343 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010](#) (c. 4), Sch. 1 para. 29, **Sch. 3 Pt. 1** (with Sch. 2)

### [<sup>F954</sup>**343ZA** Transfers of trade to obtain balancing allowances

**F955** .....]

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**Textual Amendments**

- F954** S. 343ZA inserted (with effect in accordance with s. 89(2) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [s. 89\(1\)](#)
- F955** S. 343ZA repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 30](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F956</sup>**343A** **Company reconstructions involving business of leasing plant or machinery**

<sup>F957</sup> .....

**Textual Amendments**

- F956** S. 343A inserted (19.7.2007, the inserted subsections (2) and (3) having effect in accordance with [Sch. 6 para. 1\(3\)-\(5\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 6 para. 1\(2\)](#)
- F957** S. 343A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 31](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**344 Company reconstructions: supplemental.**

<sup>F958</sup> .....

**Textual Amendments**

- F958** S. 344 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 32](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Chargeable gains*

<sup>F959</sup>**345** .....

**Textual Amendments**

- F959** S. 345 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 60, 101(1), 171, 201(3), [Sch. 11 paras. 20, 22, 26\(2\), 27](#)).

<sup>F960</sup>**346** .....

**Textual Amendments**

- F960** S. 346 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, [Sch.12](#) (with ss. 60, 101(1), 171, 201(3), [Sch. 11 paras. 20, 22, 26\(2\), 27](#)).

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<sup>F961</sup>**347** .....

**Textual Amendments**

**F961** S. 347 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), ss. 289, 290, **Sch.12** (with ss. 60, 101(1), 171, 201(3), Sch. 11 paras. 20, 22, 26(2), 27).

## PART IX

### ANNUAL PAYMENTS AND INTEREST

#### *Annual payments*

[<sup>F962</sup>**347A** **General rule.**

<sup>F963</sup> .....

**Textual Amendments**

**F962** Ss. 347A, 347B inserted by [Finance Act 1988 \(c. 39\)](#), s. **36(1)(3)-(5)**

**F963** S. 347A repealed (with effect in accordance with Sch. 5 para. 1(3)(5) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), Sch. 5 para. 1(2)(4), **Sch. 27 Pt. 2(3)**, Note

[<sup>F964</sup>**347B** **Qualifying maintenance payments.**

<sup>F965</sup> .....

**Textual Amendments**

**F964** Ss. 347A, 347B inserted by [Finance Act 1988 \(c. 39\)](#), s. **36(1)(3)-(5)**

**F965** S. 347B repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 53, **Sch. 3 Pt. 1** (with Sch. 2)

**348**    **Payments out of profits or gains brought into charge to income tax: deduction of tax.**

<sup>F966</sup> .....

**Textual Amendments**

**F966** S. 348 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 54, **Sch. 3 Pt. 1** (with Sch. 2); and s. 348 amended (6.4.2007) by [Finance Act 2005 \(c. 7\)](#), Sch. 10 paras. 62, 64(2), **Sch. 11 Pt. 4**, Note 1

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### **349 Payments not out of profits or gains brought into charge to income tax, and annual interest.**

F967 .....

#### **Textual Amendments**

**F967** S. 349 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 55, Sch. 3 Pt. 1](#) (with [Sch. 2](#)); and s. 349 amended (6.4.2007) by [Finance Act 2005 \(c. 7\), Sch. 10 paras. 62, 64\(2\), Sch. 11 Pt. 4](#), Note 1

### **[<sup>F968</sup>349ZA Extension of section 349: proceeds of sale of UK patent rights**

F969 .....]

#### **Textual Amendments**

**F968** S. 349ZA inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 149](#) (with [Sch. 2](#))

**F969** S. 349ZA repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 56, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **[<sup>F970</sup>349A Exceptions to section 349 for payments between companies etc**

F971 .....

#### **Textual Amendments**

**F970** Ss. 349A-349D inserted (with application in accordance with s. 85(4) of the amending Act) by [Finance Act 2001 \(c. 9\), s. 85\(1\)](#)

**F971** Ss. 349A-349D repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 57, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **349B The conditions mentioned in section 349A(1)**

F972 .....

#### **Textual Amendments**

**F970** Ss. 349A-349D inserted (with application in accordance with s. 85(4) of the amending Act) by [Finance Act 2001 \(c. 9\), s. 85\(1\)](#)

**F972** Ss. 349A-349D repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 57, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **349C Directions disapplying section 349A(1)**

F973 .....

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#### Textual Amendments

- F970** Ss. 349A-349D inserted (with application in accordance with s. 85(4) of the amending Act) by [Finance Act 2001 \(c. 9\), s. 85\(1\)](#)
- F973** Ss. 349A-349D repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 57, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 349D Section 349A(1): consequences of reasonable but incorrect belief

**F974** .....]

#### Textual Amendments

- F970** Ss. 349A-349D inserted (with application in accordance with s. 85(4) of the amending Act) by [Finance Act 2001 \(c. 9\), s. 85\(1\)](#)
- F974** Ss. 349A-349D repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 57, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F975</sup>349E] Deductions under section 349(1): payment of royalties overseas

**F976** .....]

#### Textual Amendments

- F975** S. 349E inserted (with application in accordance with s. 96(4) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 96\(1\)](#)
- F976** S. 349E repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 58, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 350 Charge to tax where payments made under section 349.

**F977** .....

#### Textual Amendments

- F977** S. 350 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 59, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F978</sup>350AUK] public revenue dividends: deduction of tax.

**F979** .....]

#### Textual Amendments

- F978** S. 350A inserted (with application in accordance with s. 112(5) of the amending Act) by [Finance Act 2000 \(c. 17\), s. 112\(4\)](#)
- F979** S. 350A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 60, Sch. 3 Pt. 1](#) (with [Sch. 2](#))



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**F980 351 Small maintenance payments.**

**Textual Amendments**

**F980** S. 351 repealed by [Finance Act 1988 \(c. 39\)](#) s. 36(6), Sch.14 Part IV, Note 5 (with s. 36(3))

**352 Certificates of deduction of tax.**

**F981** .....

**Textual Amendments**

**F981** S. 352 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 61, [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Relief for payments of interest (excluding MIRAS)*

**353 General provision.**

[<sup>F982</sup>(1) Where a person pays interest in any year of assessment, that person, if he makes a claim to the relief, shall for that year of assessment be entitled (subject to <sup>F983</sup> . . . [<sup>F984</sup>section 52 of ITTOIA 2005]) to relief in accordance with this section in respect of so much (if any) of the amount of that interest as is eligible for relief under this section by virtue of [<sup>F985</sup>section 365].]

[<sup>F986</sup> Where a person is entitled for a year of assessment to relief under this section in respect <sup>F987</sup>(1A) of an amount of interest which is eligible for relief by virtue of section 365, the relief is given as a tax reduction for that tax year.

(1AA) The amount of the tax reduction is 23% of the amount of the interest.

(1AB) The tax reduction is given effect at Step 6 of the calculation in section 23 of ITA 2007.]

(1B) <sup>F988</sup> .....

(1C) <sup>F989</sup> .....

(1D) <sup>F989</sup> .....

(1E) Where any person is entitled for any year of assessment to relief <sup>F990</sup> . . . in respect of any amount of interest as is eligible for that relief partly as mentioned in subsection (1A) above and partly as mentioned in [<sup>F991</sup>section 383 of ITA 2007 (relief for interest payments)], that amount of interest shall be apportioned between the cases to which each of [<sup>F992</sup>those provisions] applies without regard to what parts of the total amount borrowed remain outstanding but according to <sup>F993</sup> . . . —

(a) the proportions of the total amount borrowed which were applied for different purposes; <sup>F994</sup> . . .

(b) <sup>F994</sup> .....

[<sup>F995</sup>and subsection (1A) above or section 383 of ITA 2007 shall apply accordingly to the case in which that subsection or section applies].

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- (1F) <sup>F996</sup> .....
- (1G) <sup>F996</sup> .....
- (1H) <sup>F996</sup> .....]
- (2) <sup>M44</sup> This section does not apply to a payment of relevant loan interest to which section 369 applies.
- (3) <sup>M45</sup> Relief under this section shall not be given in respect of—
- (a) interest on a debt incurred by overdrawing an account or by debiting the account of any person as the holder of a credit card or under similar arrangements; or
  - (b) where interest is paid at a rate in excess of a reasonable commercial rate, so much of the interest as represents the excess.
- (4) <sup>F997</sup> .....
- (5) <sup>F997</sup> .....

#### Textual Amendments

- F982** S. 353(1) substituted (with effect in accordance with s. 81(6) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 81\(1\)](#)
- F983** Words in s. 353(1) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(2\)\(a\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F984** Words in s. 353(1) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 152](#) (with Sch. 2)
- F985** Words in s. 353(1) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(2\)\(b\)](#) (with Sch. 2)
- F986** S. 353(1A)-(1H) inserted (with effect in accordance with s. 81(6) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 81\(2\)](#)
- F987** S. 353(1A)-(1AB) substituted for s. 353(1A) (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(3\)](#) (with Sch. 2)
- F988** S. 353(1B) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(4\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F989** S. 353(1C)(1D) repealed (with effect in accordance with s. 42(3)-(5) of the repealing Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. 8\(2\)](#), Note
- F990** Words in s. 353(1E) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(5\)\(a\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F991** Words in s. 353(1E) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(5\)\(b\)](#) (with Sch. 2)
- F992** Words in s. 353(1E) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(5\)\(c\)](#) (with Sch. 2)
- F993** Words in s. 353(1E) repealed (with effect in accordance with s. 42(3)-(5) of the repealing Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. 8\(2\)](#), Note
- F994** S. 353(1E)(b) and preceding word repealed (with effect in accordance with s. 42(3)-(5) of the repealing Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. 8\(2\)](#), Note
- F995** Words in s. 353(1E) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(5\)\(d\)](#) (with Sch. 2)
- F996** S. 353(1F)-(1H) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 62\(6\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F997** S. 353(4)(5) repealed (with effect in accordance with s. 81(6) of the repealing Act) by [Finance Act 1994 \(c. 9\), Sch. 9 para. 3, Sch. 26 Pt. 5\(2\)](#), Note

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

**C14** S. 353 restricted (1.5.1995) by Finance Act 1995 (c. 4), s. 123, **Sch. 22 para. 2**

**C15** S. 353 restricted (27.7.1999) by Finance Act 1999 (c. 16), s. 38(1)

**Marginal Citations**

**M44** Source-1986 s.26(1)

**M45** Source-1972 s.75(1A), (2); 1974 s.19(1)(b)

**354 Loans to buy land etc.**

**F998** .....

**Textual Amendments**

**F998** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

**355 Matters excluded from section 354.**

**F999** .....

**Textual Amendments**

**F999** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

**356 Job-related accommodation.**

**F1000** .....

**Textual Amendments**

**F1000** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

**[<sup>F1001</sup>356A Limit on relief for home loans: residence basis.**

**F1002** ..... ]

**Textual Amendments**

**F1001** Ss. 356A-356D inserted (1.8.1988) by Finance Act 1988 (c. 39), s.42(1)(4)

**F1002** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

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**[<sup>F1003</sup>356B Residence basis: married couples.**

**F1004** ..... ]

**Textual Amendments**

**F1003**Ss. 356A-356D inserted (1.8.1988) by Finance Act 1988 (c. 39), s. 42(1)(4); and s. 356B substituted (1990-91 and subsequent years) by Finance Act 1988 (c. 39), Sch. 3 para. 14

**F1004**Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, Sch. 20 Pt. 3(7)

**[<sup>F1005</sup>356C Payments to which sections 356A and 356B apply.**

**F1006** ..... ]

**Textual Amendments**

**F1005**Ss. 356A-356D inserted (1.8.1988) by Finance Act 1988 (c. 39), s.42(1)(4)

**F1006**Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, Sch. 20 Pt. 3(7)

**[<sup>F1007</sup>356D Provisions supplementary to sections 356A to 356C.**

**F1008** ..... ]

**Textual Amendments**

**F1007**Ss. 356A-356D inserted (1.8.1988) by Finance Act 1988 (c. 39), s.42(1)(4)

**F1008**Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, Sch. 20 Pt. 3(7)

**357 Limit on amount of loan eligible for relief by virtue of section 354.**

**F1009** ..... ]

**Textual Amendments**

**F1009**Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 2, Sch. 20 Pt. 3(7)

**[<sup>F1010</sup>357A Substitution of security.**

**F1011** ..... ]

**Textual Amendments**

**F1010**Ss. 357A-357C inserted (27.7.1993) by Finance Act 1993 (c. 34), s. 56

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**F1011** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

[<sup>F1012</sup>**357B** Treatment of loans following security substitution.

**F1013** . . . . . ]

**Textual Amendments**

**F1012** Ss. 357A-357C inserted (27.7.1993) by [Finance Act 1993 \(c. 34\)](#), s. 56

**F1013** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

[<sup>F1014</sup>**357S** Substitution of security: supplemental.

**F1015** . . . . . ]

**Textual Amendments**

**F1014** Ss. 357A-357C inserted (27.7.1993) by [Finance Act 1993 \(c. 34\)](#), s. 56

**F1015** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

**358 Relief where borrower deceased.**

**F1016** . . . . .

**Textual Amendments**

**F1016** Ss. 354-358 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), Sch. 4 para. 2, **Sch. 20 Pt. 3(7)**

**359 Loan to buy machinery or plant.**

**F1017** . . . . .

**Textual Amendments**

**F1017** S. 359 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 63, **Sch. 3 Pt. 1** (with Sch. 2)

**360 Loan to buy interest in close company.**

**F1018** . . . . .

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1018S. 360** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 64, Sch. 3 Pt. 1](#) (with Sch. 2)

**[<sup>F1019</sup>360 Meaning of “material interest” in section 360.**

**F1020** . . . . . ]

**Textual Amendments**

**F1019S. 360A** inserted by [Finance Act 1989 \(c. 26\), s. 48\(2\)](#)  
**F1020S. 360A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 65, Sch. 3 Pt. 1](#) (with Sch. 2)

**361 Loan to buy interest in co-operative or employee-controlled company.**

**F1021** . . . . .

**Textual Amendments**

**F1021S. 361** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 66, Sch. 3 Pt. 1](#) (with Sch. 2)

**362 Loan to buy into partnership.**

**F1022** . . . . .

**Textual Amendments**

**F1022S. 362** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 67, Sch. 3 Pt. 1](#) (with Sch. 2)

**363 Provisions supplementary to sections 360 to 362.**

**F1023** . . . . .

**Textual Amendments**

**F1023S. 363** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 68, Sch. 3 Pt. 1](#) (with Sch. 2)

**364 Loan to pay inheritance tax.**

**F1024** . . . . .

*Status: Point in time view as at 19/07/2013.*

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### Textual Amendments

**F1024S. 364** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by **Income Tax Act 2007 (c. 3), Sch. 1 para. 69, Sch. 3 Pt. 1** (with Sch. 2)

## 365 Loan to buy life annuity.

<sup>M46</sup>(1) Subject to the following provisions of this section, interest is eligible for relief under section 353 if it is interest on a loan in respect of which the following conditions are satisfied—

- [<sup>F1025</sup>(aa) that the loan was made before 9th March 1999;]
- (a) that the loan was made as part of a scheme under which not less than nine-tenths of the proceeds of the loan were applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons (“the annuitants”) who include the person to whom the loan was made;
  - (b) that at the time the loan was made the person to whom it was made or each of the annuitants had attained the age of 65 years;
  - (c) that the loan was secured on land in the United Kingdom or the Republic of Ireland and the person to whom it was made or one of the annuitants owns an estate or interest in that land; and
  - (d) that, if the loan was made after 26th March 1974, the person to whom it was made or each of the annuitants [<sup>F1026</sup>used the land on which it was secured as his only or main residence immediately before 9th March 1999] .

[<sup>F1027</sup>(1AA) Where—

- (a) a loan made on or after 9th March 1999 was made in pursuance of an offer made by the lender before that date, and
- (b) the offer was either in writing or evidenced by a note or memorandum made by the lender before that date,

the loan shall be deemed for the purposes of subsection (1)(aa) above to have been made before that date.]

[<sup>F1028</sup>(1AB) Subject to subsection (1AC) below, the conditions in paragraphs (aa) and (a) of subsection (1) above shall be treated as satisfied in relation to a loan (“the new loan”) if—

- (a) the new loan was made on or after the day on which the Finance Act 1999 was passed;
- (b) the new loan was made as part of a scheme (“the scheme”) under which the whole or any part of the proceeds of the loan was used to defray money applied in paying off another loan (“the old loan”); and
- (c) the conditions in subsection (1) above were, or were treated by virtue of this subsection as, satisfied with respect to the old loan.

(1AC) If only part of the proceeds of the new loan was used to defray money applied in paying off the old loan, subsection (1AB) above applies only if, under the scheme, not less than nine-tenths of the remaining part of the proceeds of the new loan was applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons who include him.

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(1AD) In subsection (1AC) above “the remaining part” means the part of the proceeds of the new loan that was not used to defray money applied in paying off the old loan.]

[<sup>F1029</sup>[<sup>F1030</sup>(1A) The condition in subsection (1)(d) above shall be treated as satisfied in relation to a loan if—

- (a) the person to whom the loan was made, or any of the annuitants, ceased to use the land as his only or main residence at a time falling within the period of twelve months ending with 8th March 1999, and
- (b) the intention at that time of the person to whom the loan was made, or each of the annuitants owning an estate or interest in the land, was to take steps, before the end of the period of twelve months after the day on which the land ceased to be so used, with a view to the disposal of his estate or interest.]

(1B) If it appears to the Board reasonable to do so, having regard to all the circumstances of a particular case, they may direct that in relation to that case subsection (1A) above shall have effect as if for the reference to 12 months there were substituted a reference to such longer period as meets the circumstances of that case.]

(2) Interest is not eligible for relief by virtue of this section unless it is payable by the person to whom the loan was made or by one of the annuitants.

(3) If the loan was made after 26th March 1974 interest on it is eligible for relief by virtue of this section only to the extent that the amount on which it is payable does not exceed [<sup>F1031</sup>the sum of £30,000]; and if the interest is payable by two or more persons the interest payable by each of them is so eligible only to the extent that the amount on which it is payable does not exceed such amount as bears to [<sup>F1032</sup>that sum] the same proportion as the interest payable by him bears to the interest payable by both or all of them.

#### Textual Amendments

**F1025S.** 365(1)(aa) inserted (with effect in accordance with s. 39(3) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 39\(1\)](#)

**F1026** Words in s. 365(1)(d) inserted (with effect in accordance with s. 40(5) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 40\(2\)](#)

**F1027S.** 365(1AA) inserted (with effect in accordance with s. 39(3) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 39\(2\)](#)

**F1028S.** 365(1AB)-(1AD) inserted (with effect in accordance with s. 40(5) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 40\(3\)](#)

**F1029S.** 365(1A)(1B) inserted (27.7.1993 with effect in relation to payments of interest made on or after 16 March 1993 (whenever falling due)) by [Finance Act 1993 \(c. 34\)](#), [s. 57\(3\)\(5\)\(6\)](#)

**F1030S.** 365(1A) substituted (with effect in accordance with s. 40(5) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [s. 40\(4\)](#)

**F1031** Words in s. 365(3) substituted (with effect in accordance with s. 83(4) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [s. 83\(1\)\(a\)](#)

**F1032** Words in s. 365(3) substituted (with effect in accordance with s. 83(4) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [s. 83\(1\)\(b\)](#)

#### Marginal Citations

**M46** Source-1974 Sch.1 24; 1984 s.22(3)



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### 366 Information.

- (1) <sup>M47</sup>A person who claims relief under section 353 in respect of any payment of interest shall furnish to the inspector a statement in writing by the person to whom the payment is made, showing—
  - (a) the date when the debt was incurred;
  - (b) the amount of the debt when incurred;
  - (c) the interest paid in the year of assessment for which the claim is made <sup>F1033</sup> . . . ;  
and
  - (d) the name and address of the debtor.
- (2) <sup>M48</sup>Where any such interest as is mentioned in section 353 is paid, the person to whom it is paid shall, if the person who pays it so requests in writing, furnish him with such statement as regards that interest as is mentioned in subsection (1) above; and the duty imposed by this subsection shall be enforceable at the suit or instance of the person making the request.
- (3) Subsections (1) and (2) above do not apply to interest paid to a building society, or to a local authority.

#### Textual Amendments

**F1033** Words in s. 366(1)(c) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 70, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### Marginal Citations

**M47** Source-1972 Sch.10 7; 1974 Sch.1 25(1)

**M48** Source-1972 Sch.10 8, 9

### 367 Provisions supplementary to sections 354 to 366.

- (1) <sup>F1034</sup> . . . . .
- (2) <sup>F1035</sup> . . . . .
- (3) <sup>F1035</sup> . . . . .
- (4) <sup>F1035</sup> . . . . .
- (5) <sup>M49</sup>In [<sup>F1036</sup>section] 365(3) references to the qualifying maximum for the year of assessment are references to such sum as Parliament may determine for the purpose for that year.

#### Textual Amendments

**F1034**S. 367(1) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\), Sch. 4 para. 3\(2\), Sch. 20 Pt. 3\(7\)](#)

**F1035**S. 367(2)-(4) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 71, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**F1036** Words in s. 367(5) substituted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by [Finance Act 1999 \(c. 16\), Sch. 4 para. 3\(4\)](#)

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

- C16** S. 367(5): £30,000 specified (1988-89) by [Finance Act 1988 \(c. 39\), s. 41](#)  
 S. 367(5): £30,000 specified (1989-90) by [Finance Act 1989 \(c. 26\), s. 46](#)  
 S. 367(5): £30,000 specified (1990-91) by [Finance Act 1990 \(c. 29\), s. 71](#)  
 S. 367(5): £30,000 specified (1991-92) by [Finance Act 1991 \(c. 31\), s. 26](#)  
 S. 367(5): £30,000 specified (1992-93) by [Finance Act 1992 \(c. 20\), s. 10\(4\)](#) (with s. 10(5))  
 S. 367(5): £30,000 specified (1993-94) by [Finance Act 1993 \(c. 34\), s. 55](#)  
 S. 367(5): £30,000 specified (1994-95, 1995-96) by [Finance Act 1994 \(c. 9\), s. 80](#)  
 S. 367(5): £30,000 specified (1996-97) by [Finance Act 1996 \(c. 8\), s. 76](#)  
 S. 367(5): £30,000 specified (1997-98) by [Finance Act 1997 \(c. 16\), s. 57](#)  
 S. 367(5): £30,000 specified (1998-99) by [Finance \(No. 2\) Act 1997 \(c. 58\), s. 16](#)  
 S. 367(5): £30,000 specified (1999-2000) by [Finance Act 1999 \(c. 16\), s. 37](#)

#### **Marginal Citations**

- M49** Source-1972 Sch.9 5(1A); 1984 s.22(1)(c)

### **[<sup>F1037</sup> 367A] Alternative finance arrangements**

- (1) Sections 353 and 365 have effect as if—
  - (a) purchase and resale arrangements involved the making of a loan, and
  - (b) alternative finance return were interest.
- (2) Section 366 has effect accordingly.
- (3) In this section—
 

“alternative finance return” has the meaning given in sections 564I to 564L of ITA 2007, and

“purchase and resale arrangements” means arrangements to which section 564C of ITA 2007 applies.]

#### **Textual Amendments**

- F1037S.** 367A inserted (1.4.2010 with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 2 para. 47](#) (with Sch. 9)

### **368 Exclusion of double relief etc.**

**F1038**  
 .....

#### **Textual Amendments**

- F1038S.** 368 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 72, Sch. 3 Pt. 1](#) (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

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### *Mortgage interest relief at source*

#### **369 Mortgage interest payable under deduction of tax.**

- (1) <sup>M50</sup>If a person who is a qualifying borrower makes a payment of relevant loan interest to which this section applies, he shall be entitled, on making the payment, to deduct and retain out of it a sum equal to [<sup>F1039</sup>the applicable percentage thereof.]
- [<sup>F1040</sup>(1A) In subsection (1) above “the applicable percentage” means [<sup>F1041</sup>23 per cent.].]
- (2) Where a sum is deducted under subsection (1) above from a payment of relevant loan interest—
- (a) the person to whom the payment is made shall allow the deduction on receipt of the residue;
  - (b) the borrower shall be acquitted and discharged of so much money as is represented by the deduction as if the sum had been actually paid; and
  - (c) the sum deducted shall be treated as income tax paid by the person to whom the payment is made.
- [<sup>F1042</sup>(3) The following payments, that is to say—
- (a) payments of relevant loan interest to which this section applies, and
  - (b) payments which would be such payments but for section 373(5),
- shall not be allowable as deductions for any purpose of the Income Tax Acts except in so far as they fall to be treated as such payments by virtue only of section 375(2) and would be allowable apart from this subsection.]
- (6) [<sup>F1043M51</sup>Sections 967(2) and 968(2) of CTA 2010 do not apply to a payment of relevant loan interest to which this section applies, but any person by whom such a payment] is received shall be entitled to recover from the Board, in accordance with regulations, an amount which by virtue of subsection (2)(c) above is treated as income tax paid by him; and any amount so recovered shall be treated for the purposes of the Tax Acts in like manner as the payment of relevant loan interest to which it relates.
- [<sup>F1044</sup>(7) The following provisions of the Management Act, namely—
- [<sup>F1045</sup>(a) section 29(1)(c) (excessive relief) as it has effect apart from section 29(2) to (10) of that Act;]
  - (b) section 30 (tax repaid in error etc.) [<sup>F1046</sup>apart from subsection (1B)],
  - (c) [<sup>F1047</sup>section 86] (interest), and
  - (d) section 95 (incorrect return or accounts),
- shall apply in relation to an amount which is paid to any person by the Board as an amount recoverable in accordance with regulations made by virtue of subsection (6) above but to which that person is not entitled as if it were income tax which ought not to have been repaid and, where that amount was claimed by that person, as if it had been repaid [<sup>F1048</sup>as respects a chargeable period] as a relief which was not due.]
- [<sup>F1049</sup>(8) In the application of section 86 of the Management Act by virtue of subsection (7) above in relation to sums due and payable by virtue of an assessment made for the whole or part of a year of assessment (“the relevant year of assessment”) under section 29(1)(c) or 30 of that Act, as applied by that subsection, the relevant date—
- (a) is 1st January in the relevant year of assessment in a case where the person falling within subsection (6) above has made a relevant interim claim; and
  - (b) in any other case, is the later of the following dates, that is to say—

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- (i) 1st January in the relevant year of assessment; or
- (ii) the date of the making of the payment by the Board which gives rise to the assessment.

(9) In this section—

“financial year”, in relation to any person, means a financial year of that person for the purposes of the relevant regulations;

“interim claim” means an interim claim within the meaning of the relevant regulations;

“relevant interim claim” means, in relation to an assessment made for a period coterminous with, or falling wholly within, a person’s financial year, an interim claim made for a period falling wholly or partly within that financial year; and

“the relevant regulations” means regulations made under section 378(3) for the purposes of subsection (6) above.]

#### Textual Amendments

- F1039** Words in s. 369(1) substituted (with effect in accordance with s. 81(6) of the amending Act) by Finance Act 1994 (c. 9), s. 81(3)
- F1040** S. 369(1A) substituted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by Finance Act 1999 (c. 16), Sch. 4 para. 4
- F1041** Words in s. 369(1A) substituted (with effect in accordance with s. 83(4) of the amending Act) by Finance Act 2000 (c. 17), s. 83(3)
- F1042** S. 369(3) substituted for s. 369(3)-(5B) (with effect in accordance with s. 81(6) of the amending Act) by Finance Act 1994 (c. 9), s. 81(4)
- F1043** Words in s. 369(6) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 33 (with Sch. 2)
- F1044** S. 369(7) inserted (27.7.1993) by 1993 c. 34, s. 58(1)(2)
- F1045** S. 369(7)(a) substituted (with effect in accordance with Sch. 18 para. 17(2) of the amending Act) by Finance Act 1996 (c. 8), Sch. 18 para. 6(2)(a)
- F1046** Words in s. 369(7)(b) inserted (with effect in accordance with Sch. 18 para. 17(2) of the amending Act) by Finance Act 1996 (c. 8), Sch. 18 para. 6(2)(b)
- F1047** Words in s. 369(7)(c) substituted (with effect in accordance with Sch. 18 para. 17(3) of the amending Act) by Finance Act 1996 (c. 8), Sch. 18 para. 6(2)(c)
- F1048** Words in s. 369(7) inserted (with effect in accordance with Sch. 18 para. 17(8) of the amending Act) by Finance Act 1996 (c. 8), Sch. 18 para. 6(2)(d)
- F1049** S. 369(8)(9) inserted (with effect in accordance with Sch. 18 para. 17(3) of the amending Act) by Finance Act 1996 (c. 8), Sch. 18 para. 6(3)

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

- C17** S. 369(1) excluded (27.7.1999) by Finance Act 1999 (c. 16), s. 38(2)-(7)

#### Marginal Citations

- M50** Source-1982 s.26(1), (2)
- M51** Source-1982 s.26(7)

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### 370 Relevant loan interest.

- (1) <sup>M52</sup>Subject to this section and [<sup>F1050</sup>sections 373] to 376, in this Part “relevant loan interest” means interest which is paid and payable in the United Kingdom to a qualifying lender and to which subsection (2) <sup>F1051</sup> . . . below applies.
- (2) Subject to subsection (4) below, this subsection applies to interest if, disregarding section 353(2) [<sup>F1052</sup> and any other provision applying to interest falling to be treated as relevant loan interest]—
  - (a) it is interest falling within section <sup>F1053</sup> . . . 365; and
  - (b) apart [<sup>F1054</sup> (where applicable) from] section <sup>F1053</sup> . . . 365(3), the whole of the interest [<sup>F1055</sup> would be eligible for relief under section 353]; <sup>F1056</sup> . . .
  - (c) <sup>F1056</sup> . . . . .
- (3) <sup>F1057</sup> . . . . .
- (4) <sup>F1057</sup> . . . . .
- (5) <sup>M53</sup>In determining whether subsection (2) above applies to any interest, [<sup>F1058</sup> section 365 shall] have effect as if the words “or the Republic of Ireland” were omitted.
- (6) <sup>F1057</sup> . . . . .
- [<sup>F1059</sup>(6A) <sup>F1060</sup> . . . . . ]
- (7) <sup>F1057</sup> . . . . .

#### Textual Amendments

- F1050** Words in s. 370(1) substituted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by Finance Act 1999 (c. 16), **Sch. 4 para. 5(2)(a)**
- F1051** Words in s. 370(1) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 5(2)(b), **Sch. 20 Pt. 3(7)**
- F1052** Words in s. 370(2) inserted (with effect in accordance with s. 81(6) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 9 para. 10(1)(a)**
- F1053** Words in s. 370(2) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 5(3), **Sch. 20 Pt. 3(7)**
- F1054** Words in s. 370(2)(b) substituted (with effect in accordance with s. 81(6) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 9 para. 10(1)(b)**
- F1055** Words in s. 370(2)(b) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 155** (with Sch. 2)
- F1056** S. 370(2)(c) and preceding word repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 5(3), **Sch. 20 Pt. 3(7)**
- F1057** S. 370(3)(4)(6)(7) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 5(4), **Sch. 20 Pt. 3(7)**
- F1058** Words in s. 370(5) substituted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by Finance Act 1999 (c. 16), **Sch. 4 para. 5(5)**
- F1059** S. 370(6A) inserted (with effect in accordance with s. 81(6) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 9 para. 10(2)**
- F1060** S. 370(6A) repealed (with effect in accordance with s. 42(3)-(5) of the repealing Act) by Finance Act 1995 (c. 4), **Sch. 29 Pt. 8(2)**, Note

#### Marginal Citations

- M52** Source-1982 Sch.7 2(1)-(3)

*Status: Point in time view as at 19/07/2013.*

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**M53** Source-1982 Sch.7 3(1)-(3)

**F1061 371 Second loans.**

.....

**Textual Amendments**

**F1061S. 371** repealed (27.7.1993 with effect in relation to payments of interest made on or after 16 March 1993 (whenever falling due)) by [Finance Act 1993 \(c. 34\)](#), ss. 57, 213, **Sch. 23 Pt.III**

**372 Home improvement loans.**

**F1062** .....

**Textual Amendments**

**F1062S. 372** repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), Sch. 4 para. 6, **Sch. 20 Pt. 3(7)**

**373 Loans in excess of the qualifying maximum, and joint borrowers.**

(1) <sup>M54</sup>The provisions of this section have effect in relation to a loan where, by virtue of <sup>F1063</sup> . . . section 365(3), only part of the interest on the loan would (apart from section 353(2)) be eligible for relief under section 353; and in this section any such loan is referred to as a “limited loan”.

(2) None of the interest on a limited loan is relevant loan interest unless—  
(a) the loan is made on or after 6th April 1987; or  
(b) the qualifying lender to whom the interest is payable has given notice to the Board in accordance with regulations that he is prepared to have limited loans of a description which includes that limited loan brought within the tax deduction scheme.

(3) <sup>F1064</sup> .....

(4) <sup>F1064</sup> .....

(5) <sup>M55</sup>Where the condition in paragraph (a) or (b) of subsection (2) above is fulfilled <sup>F1065</sup> . . . only so much of the interest as (apart from section 353(2)) would be eligible for relief under section 353 is relevant loan interest.

(6) <sup>M56</sup>Where a loan on which interest is payable by the borrower was made jointly to the borrower and another person who is not the borrower’s husband or wife, the interest on the loan is not relevant loan interest unless—  
(a) each of the persons to whom the loan was made is a qualifying borrower; and  
(b) in relation to each of them considered separately, the whole of that interest is relevant loan interest, in accordance with [<sup>F1066</sup>section 370] and this section.

(7) In subsection (6) above references to the borrower’s husband or wife do not include references to a separated husband or wife <sup>F1067</sup> . . . .

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#### Textual Amendments

- F1063** Words in s. 373(1) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 7(2)(a), **Sch. 20 Pt. 3(7)**
- F1064** S. 370(3)(4) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 7(2)(b), **Sch. 20 Pt. 3(7)**
- F1065** Words in s. 373(5) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 7(2)(c), **Sch. 20 Pt. 3(7)**
- F1066** Words in s. 373(6) substituted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by Finance Act 1999 (c. 16), **Sch. 4 para. 7(3)**
- F1067** Words in s. 373(7) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 7(2)(d), **Sch. 20 Pt. 3(7)**

#### Marginal Citations

- M54** Source-1982 Sch.7 5(1)-(3); 1985 s.37(2)
- M55** Source-1982 Sch.7 5(4); 1983 s.17(2); 1985 s.37(3)
- M56** Source-1982 Sch.7 6(1), (2)

### 374 Conditions for application of section 369.

- (1) <sup>M57</sup>Section 369 does not apply to any relevant loan interest unless—
- (a) in the case of a loan of a description specified by regulations for the purposes of this paragraph, the borrower or, in the case of joint borrowers, each of them has given notice to the lender in the prescribed form certifying—
    - (i) that he is a qualifying borrower; and
    - (ii) that the interest is relevant loan interest; and
    - (iii) such other matters as may be prescribed; or
  - (b) the Board have given notice to the lender and the borrower that the interest may be paid under deduction of tax; or
  - (c) <sup>F1068</sup> .....
  - (d) <sup>M58</sup>the loan to which the interest relates is of a description specified by regulations for the purposes of this paragraph and was made—
    - (i) if sub-paragraph (2) of paragraph 2 of Schedule 7 to the Finance Act 1982 applied to interest on the loan which became due on or after a date earlier than 6th April 1983, being a date specified by the Board in pursuance of sub-paragraph (5) of that paragraph, before that earlier date; or
    - (ii) if the qualifying lender is a building society or a local authority, before 1st April 1983; or
    - (iii) if sub-paragraphs (i) and (ii) above do not apply and the interest falls within section 370(2), before 6th April 1983.
- (2) <sup>M59</sup>Where notice has been given as mentioned in paragraph (a) or (b) of subsection (1) above, section 369 applies to any relevant loan interest to which the notice relates and which becomes due on or after the relevant date, as defined by subsection (3) below; and in a case falling within paragraph <sup>F1069</sup> . . . (d) of subsection (1) above, section 369 applies to the relevant loan interest referred to in that paragraph.
- (3) In subsection (2) above “the relevant date” means—

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- (a) in the case of a notice under subsection (1)(a) above, the date the notice is given, and
- (b) in the case of a notice under subsection (1)(b) above, a date specified in the notice as being the relevant date (which may be earlier than the date so specified as the date from which the interest may be paid under deduction of tax).

#### Textual Amendments

**F1068S.** 374(1)(c) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 8, **Sch. 20 Pt. 3(7)**

**F1069** Words in s. 374(2) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 8, **Sch. 20 Pt. 3(7)**

#### Marginal Citations

**M57** Source-1982 Sch.7 7(1)(a)-(c)

**M58** Source-1982 Sch.7 7(1)(d), (4), (5)

**M59** Source-1982 Sch.7 7(2)(3)

#### **[<sup>F1070</sup> 374A Interest which never has been relevant loan interest etc.**

- (1) This section applies where, in the case of any loan, interest on the loan never has been relevant loan interest or the borrower never has been a qualifying borrower.
- (2) Without prejudice to subsection (3) below, in relation to a payment of interest—
  - (a) as respects which either of the conditions mentioned in paragraphs (a) and (b) of section 374(1) is fulfilled, and
  - (b) from which a deduction was made as mentioned in section 369(1),
 section 369 shall have effect as if the payment of interest were a payment of relevant loan interest made by a qualifying borrower.
- (3) Nothing in subsection (2) above shall be taken as regards the borrower as entitling him to make any deduction or to retain any amount deducted and, accordingly, where any amount has been deducted, he shall be liable to make good that amount and an officer of the Board may make such assessments as may in his judgment be required for recovering that amount.
- (4) The Management Act shall apply to an assessment under subsection (3) above as if it were an assessment to income tax for the year of assessment in which the deduction was made <sup>F1071</sup> . . . .
- (5) If the borrower fraudulently or negligently makes any false statement or representation in connection with the making of any deduction, he shall be liable to a penalty not exceeding the amount deducted.]

#### Textual Amendments

**F1070S.** 374A inserted (with application in accordance with s. 112(5) of the amending Act) by Finance Act 1995 (c. 4), **s. 112(1)**

**F1071** Words in s. 374A(4) repealed (with effect in accordance with Sch. 18 para. 17(5) of the repealing Act) by Finance Act 1996 (c. 8), Sch. 18 para. 7, **Sch. 41 Pt. 5(8)**, Note



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### **375 Interest ceasing to be relevant loan interest, etc.**

- (1) <sup>M60</sup>If at any time—
  - (a) the interest on a loan ceases to be relevant loan interest; or
  - (b) a person making payments of relevant loan interest ceases to be a qualifying borrower;the borrower shall give notice of the fact to the lender.
- (2) Without prejudice to subsection (3) below, in relation to a payment of interest—
  - (a) which is due after the time referred to in subsection (1) above and before the date on which notice is given under that subsection, and
  - <sup>F1072</sup>(aa) as respects which any of the conditions mentioned in section 374(1) is fulfilled, and]
  - (b) from which a deduction was made as mentioned in section 369(1),section 369 shall have effect as if the payment were a payment of relevant loan interest made by a qualifying borrower.
- (3) Nothing in subsection (2) above <sup>F1073</sup>shall be taken as regards the borrower as entitling him to any deduction or to retain any amount deducted and, accordingly, where any amount that has been deducted exceeds the amount which ought to have been deducted], he shall be liable to make good the excess and an inspector may make such assessments as may in his judgment be required for recovering the excess.
- <sup>F1074</sup>(4) The Management Act shall apply to an assessment under subsection (3) above <sup>F1075</sup>as if it were an assessment to income tax for the year of assessment in which the deduction was made].
- (4A) If there is any unreasonable delay in the giving of a notice under subsection (1) above, the borrower shall be liable to a penalty not exceeding so much of the aggregate amount that he is liable to make good under subsection (3) above as is attributable to that delay.]
- (5) <sup>M61</sup>If, as a result of receiving a notice under subsection (1) above or otherwise, a qualifying lender has reason to believe that any interest is no longer relevant loan interest or that a borrower is no longer a qualifying borrower, the lender shall furnish the Board with such information as is in his possession with respect to those matters.
- (6) <sup>M62</sup>Where it appears to the Board that any of the provisions of sections 370 to 373 is not or may not be fulfilled with respect to any interest, or that a qualifying borrower has or may have ceased to be a qualifying borrower, they shall give notice of that fact to the lender and the borrower specifying the description of relevant loan interest concerned or, as the case may be, that the borrower has or may have ceased to be a qualifying borrower.
- (7) Section 369 shall not apply to any payment of relevant loan interest of a description to which a notice under subsection (6) above relates and which becomes due or is made after such date as may be specified in the notice and before such date as may be specified in a further notice given by the Board to the lender and the borrower.
- (8) <sup>M63</sup>In any case where—
  - (a) section 369 applies to any relevant loan interest by virtue of a notice under section 374(1)(b), and
  - (b) the relevant date specified in the notice is earlier than the date from which the interest begins to be paid under deduction of tax, and

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- (c) a payment of that interest was made on or after the relevant date but not under deduction of tax,

regulations may provide for a sum to be paid by the Board of an amount equal to that which the borrower would have been able to deduct from that payment by virtue of section 369 if it had been made after the relevant date.

[<sup>F1076</sup>(8A) In any case where an amount to which a person is not entitled is paid to him by the Board in pursuance of regulations made by virtue of subsection (8) above, regulations may—

- (a) provide for an officer of the Board to make such assessments as may in his judgment be required for recovering that amount from that person; and
- (b) make provision corresponding to that made by subsection (4A) above and subsections (4) and (5) of section 374A.]

[<sup>F1077</sup>(8B) Subsections (1), (5) and (6) above shall not apply where interest ceases to be relevant loan interest by virtue of section 38 of the Finance Act 1999.]

(9) <sup>F1078</sup> .....

(10) <sup>F1078</sup> .....

**Textual Amendments**

**F1072**S. 375(2)(aa) inserted (with application in accordance with s. 112(5) of the amending Act) by Finance Act 1995 (c. 4), s. 112(2)

**F1073**Words in s. 375(3) substituted (with effect in accordance with s. 81(6) of the amending Act) by Finance Act 1994 (c. 9), Sch. 9 para. 11

**F1074**S. 375(4)(4A) substituted for s. 375(4) (with application in accordance with s. 112(5) of the amending Act) by Finance Act 1995 (c. 4), s. 112(3)

**F1075**Words in s. 375(4) substituted (with effect in accordance with Sch. 18 para. 17(1) of the amending Act) by Finance Act 1996 (c. 8), Sch. 18 para. 8

**F1076**S. 375(8A) inserted (with application in accordance with s. 112(5) of the amending Act) by Finance Act 1995 (c. 4), s. 112(4)

**F1077**S. 375(8B) inserted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by Finance Act 1999 (c. 16), Sch. 4 para. 9(1)

**F1078**S. 375(9)(10) repealed (with effect in accordance with Sch. 4 para. 18(1) of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 9(2), Sch. 20 Pt. 3(7), Note 1

**Marginal Citations**

**M60** Source-1982 Sch.7 8

**M61** Source-1982 Sch.7 9(1)

**M62** Source-1982 Sch.7 10(1), (2)

**M63** Source-1982 Sch.7 11

[<sup>F1079</sup>**375A** Option to deduct interest for the purposes of Schedule A.

<sup>F1080</sup> .....

**Textual Amendments**

**F1079**S. 375A inserted (with effect in accordance with s. 39(4)(5) of the amending Act) by Finance Act 1995 (c. 4), Sch. 6 para. 18

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**F1080**S. 375A repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), Sch. 4 para. 10, **Sch. 20 Pt. 3(7)**

### 376 Qualifying borrowers and qualifying lenders.

- (1) <sup>M64</sup>Subject to subsection (2) below, an individual is a qualifying borrower with respect to the interest on any loan.
- (2) In relation to interest paid at a time when the borrower or the borrower's husband or wife holds [<sup>F1081</sup>an office or employment which would, but for some special exemption or immunity from tax, be a taxable employment under Part 2 of ITEPA 2003 (as defined by section 66(3) of that Act)], the borrower is not a qualifying borrower.
- (3) In subsection (2) above references to the borrower's husband or wife do not include references to a separated husband or wife <sup>F1082</sup> . . . .
- (4) <sup>M65</sup>The following bodies are qualifying lenders:—
  - (a) a building society;
  - (b) a local authority;
  - (c) the Bank of England;
  - (d) <sup>F1083</sup> . . . . .
  - [<sup>F1084</sup>(e) a person who has permission under [<sup>F1085</sup>Part 4A] of the Financial Services and Markets Act 2000 to effect or carry out contracts of long-term insurance;]
  - (f) any company to which property and rights belonging to a trustee savings bank were transferred by section 3 of the <sup>M66</sup>Trustee Savings Bank Act 1985;
  - (g) <sup>F1086</sup> . . . . .
  - (h) a development corporation within the meaning of the <sup>M67</sup>New Towns Act 1981 or the <sup>M68</sup>New Towns (Scotland) Act 1968;
  - [<sup>F1087</sup>(j) the Homes and Communities Agency;]
  - [<sup>F1088</sup>(ja) the Greater London Authority so far as exercising its housing or regeneration functions or its new towns and urban development functions;]
  - [<sup>F1089</sup>(k) the Regulator of Social Housing,]
  - [<sup>F1090</sup>(ka) the Secretary of State if the loan is made by him under section 79 of the <sup>M69</sup>Housing Associations Act 1985;]
  - (l) the Northern Ireland Housing Executive;
  - (m) the Scottish Special Housing Association;
  - (n) <sup>F1091</sup> . . . . .
  - (o) the Church of England Pensions Board;
  - [<sup>F1092</sup>(p) any body which is for the time being registered under section 376A.]
- [<sup>F1093</sup>(4A) <sup>F1094</sup> . . . . .]
- (5) <sup>F1095</sup> . . . . .
- (6) <sup>F1096</sup> . . . . .

#### Textual Amendments

**F1081** Words in s. 376(2) substituted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), **Sch. 6 para. 52** (with Sch. 7)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- F1082** Words in s. 376(3) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 11(a), **Sch. 20 Pt. 3(7)**
- F1083** S. 376(4)(d) repealed (26.3.2001) by The Postal Services Act 2000 (Consequential Modifications No. 1) Order 2001 (S.I. 2001/1149), arts. 1(2), 3(2), **Sch. 2**
- F1084** S. 376(4)(e) substituted (1.12.2001 in accordance with art. 1(2)(a) of the amending Order) by The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), **art. 23(2)(a)**
- F1085** Words in s. 376(4)(e) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), s. 122(3), **Sch. 18 para. 58(3)** (with Sch. 20); S.I. 2013/423, art. 3, **Sch.**
- F1086** S. 376(4)(g) omitted (1.12.2001 in accordance with art. 1(2)(a) of the amending Order) by virtue of The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), **art. 23(2)(b)**
- F1087** S. 376(4)(j) substituted (1.12.2008) by Housing and Regeneration Act 2008 (c. 17), s. 325(1), **Sch. 8 para. 42**; S.I. 2008/3068, **art. 2(1)(w)** (with arts. 6-13)
- F1088** S. 376(4)(ja) inserted (1.4.2012) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 19 para. 24**; S.I. 2012/628, **art. 6(1)** (with arts. 9-20)
- F1089** S. 376(4)(k) substituted (1.4.2010) by Housing and Regeneration Act 2008 (c. 17), s. 325(1), **Sch. 9 para. 12**; S.I. 2010/862, **art. 2** (with Sch.)
- F1090** S. 376(4)(ka) substituted (1.11.1998) by Government of Wales Act 1998 (c. 38), ss. 140(2), 158(1), **Sch. 16 para. 55**; S.I. 1998/2244, **art. 5**
- F1091** S. 376(4)(n) repealed (1.10.1998) by Government of Wales Act 1998 (c. 38), ss. 152, 158(1), **Sch. 18 Pt. 4**; S.I. 1998/2244, **art. 4**
- F1092** S. 376(4)(p) substituted (1.12.2001 in accordance with art. 1(2)(a) of the amending Order) by The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), **art. 23(2)(c)**
- F1093** S. 376(4A) inserted (19.2.1993) by Finance (No. 2) Act 1992 (c. 48), s. 56, Sch. 9 paras. 3(3), **22**; S.I. 1993/236, **art. 2**
- F1094** S. 376(4A) omitted (1.12.2001 in accordance with art. 1(2)(a) of the amending Order) by virtue of The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), **art. 23(3)**
- F1095** S. 376(5) repealed (3.5.1994) by Finance Act 1994 (c. 9), s. 142(1)(b), **Sch. 26 Pt. 5(19)**
- F1096** S. 376(6) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), Sch. 4 para. 11(b), **Sch. 20 Pt. 3(7)**

#### Marginal Citations

- M64** Source-1982 Sch.7 13
- M65** Source-1982 Sch.7 14(1); 1983 s.17(3)
- M66** 1985 c. 50.
- M67** 1981 c.64.
- M68** 1968 c. 16.
- M69** 1985 c. 69.

#### [<sup>F1097</sup>376A] The register of qualifying lenders.

- (1) The Board shall maintain, and publish in such manner as they consider appropriate, a register for the purposes of section 376(4).

[ The following are entitled to be registered—

- <sup>F1098</sup>(1A) (a) a person who has permission under [<sup>F1099</sup>Part 4A] of the Financial Services and Markets Act 2000—
- (i) to accept deposits; or
- (ii) to effect or carry out contracts of general insurance;

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- (b) a 90 per cent subsidiary of a person mentioned in—
    - (i) section 376(4)(e); or
    - (ii) paragraph (a) above;
  - (c) any other body whose activities and objects appear to the Board to qualify it for registration.]
- (2) If the Board are satisfied that an applicant for registration is entitled to be registered, they may register the applicant generally or in relation to any description of loan specified in the register, with effect from such date as may be so specified; and a body which is so registered shall become a qualifying lender in accordance with the terms of its registration.
- (3) The registration of any body may be varied by the Board—
- (a) where it is general, by providing for it to be in relation to a specified description of loan, or
  - (b) where it is in relation to a specified description of loan, by removing or varying the reference to that description of loan,
- and where they do so, they shall give the body written notice of the variation and of the date from which it is to have effect.
- (4) If it appears to the Board at any time that a body which is registered under this section would not be entitled to be registered if it applied for registration at that time, the Board may by written notice given to the body cancel its registration with effect from such date as may be specified in the notice.
- (5) The date specified in a notice under subsection (3) or (4) above shall not be earlier than the end of the period of 30 days beginning with the date on which the notice is served.
- (6) Any body which is aggrieved by the failure of the Board to register it under this section, or by the variation or cancellation of its registration, may [<sup>F1100</sup> appeal], by notice given to the Board before the end of the period of 30 days beginning with the date on which the body is notified of the Board's decision<sup>F1101</sup> . . . .]

#### Textual Amendments

**F1097S.** 376A inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 142(2)

**F1098S.** 376A(1A) inserted (1.12.2001 in accordance with art. 1(2)(a) of the amending Order) by The Financial Services and Markets Act 2000 (Consequential Amendments) (Taxes) Order 2001 (S.I. 2001/3629), art. 24

**F1099** Words in s. 376A(1A)(a) substituted (1.4.2013) by Financial Services Act 2012 (c. 21), s. 122(3), Sch. 18 para. 58(4) (with Sch. 20); S.I. 2013/423, art. 3, Sch.

**F1100** Word in s. 376A(6) inserted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 138(a)

**F1101** Words in s. 376A(6) omitted (1.4.2009) by virtue of The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 138(b)

### 377 Variation of terms of repayment of certain loans.

F1102

.....

*Status: Point in time view as at 19/07/2013.*

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### Textual Amendments

**F1102** S. 377 repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), [Sch. 4 para. 12](#), [Sch. 20 Pt. 3\(7\)](#)

## 378 Supplementary regulations.

- <sup>M70</sup>(1) <sup>F1103</sup> . . . . .
- (2) <sup>F1103</sup> . . . . .
- (3) The Board may by regulations make provision—
- (a) for the purposes of any provision of sections 369 to [<sup>F1104</sup>376A] which relates to any matter or thing to be specified by or done in accordance with regulations;
  - (b) for the application of those sections in relation to loan interest paid by personal representatives and trustees;
  - (c) with respect to the furnishing of information by borrowers or lenders, including, in the case of lenders, the inspection of books, documents and other records on behalf of the Board;
  - (d) for, and with respect to, appeals to [<sup>F1105</sup>the tribunal] against the refusal of the Board to issue a notice under section 374(1)(b) or the issue of a notice under section 375(6) or (7); and
  - (e) generally for giving effect to sections 369 to [<sup>F1104</sup>376A].
- (4) <sup>F1103</sup> . . . . .

### Textual Amendments

**F1103** S. 378(1)(2)(4) repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), [Sch. 4 para. 13\(a\)](#), [Sch. 20 Pt. 3\(7\)](#)

**F1104** Words in s. 378(3) substituted (with effect in accordance with Sch. 4 para. 18(5) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [Sch. 4 para. 13\(b\)](#)

**F1105** Words in s. 378(3) substituted (1.4.2009) by [The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 \(S.I. 2009/56\)](#), art. 1(2), [Sch. 1 para. 139](#)

### Marginal Citations

**M70** Source-1982 s.29; 1984 s.56(2)

## 379

In sections 369 to 378—

[<sup>F1106</sup>“contracts of general insurance” means contracts which fall within Part I of Schedule 1 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and “contracts of long-term insurance” means contracts which fall within Part II of that Schedule;]

“prescribed” <sup>F1107</sup> . . . means prescribed by the Board;

“qualifying borrower” has the meaning given by section 376(1) to (3);

“qualifying lender” has the meaning given by section 376(4) <sup>F1108</sup> . . . ;

“regulations” <sup>F1109</sup> . . . means regulations made by the Board under section 378;

“relevant loan interest” has the meaning given by section 370(1);

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[<sup>F1110</sup>“separated” means separated under an order of a court of competent jurisdiction or by deed of separation or in such circumstances that the separation is likely to be permanent.]

#### Textual Amendments

- F1106** S. 379: definition of "contracts of general insurance" inserted (1.12.2001 in accordance with art. 1(2)(a) of the amending Order) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), [art. 25](#)
- F1107** S. 379: words in definition of "prescribed" repealed (3.5.1994) by [Finance Act 1994 \(c. 9\)](#), [Sch. 26 Pt. 5\(19\)](#)
- F1108** S. 379: words in definition of "qualifying lender" repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), [Sch. 4 para. 14\(a\)](#), [Sch. 20 Pt. 3\(7\)](#)
- F1109** S. 379: words in definition of "regulations" repealed (with effect in accordance with Sch. 4 para. 18(5), Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by [Finance Act 1999 \(c. 16\)](#), [Sch. 4 para. 14\(b\)](#), [Sch. 20 Pt. 3\(7\)](#)
- F1110** S. 379: definition of "separated" inserted (with effect in accordance with [Sch. 4 para. 18\(5\)](#) of the amending Act) by [Finance Act 1999 \(c. 16\)](#), [Sch. 4 para. 14\(c\)](#)

## PART X

### LOSS RELIEF AND GROUP RELIEF

#### [<sup>F1111</sup>CHAPTER I

#### LOSS RELIEF: INCOME TAX]

#### Textual Amendments

- F1111** Pt. 10 Ch. 1 (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1112</sup>[<sup>F1113</sup>Losses from [<sup>F1114</sup>UK property] business or overseas property business]

#### Textual Amendments

- F1112** S. 379A and preceding cross-heading inserted (with effect in accordance with s. 39(4)(5) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 6 para. 19\(1\)](#)
- F1113** S. 379A cross-heading substituted (with effect in accordance with s. 38(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 5 para. 26](#) (with [Sch. 5 para. 73](#))
- F1114** Words in cross-heading preceding s. 379A substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 156\(8\)](#) (with [Sch. 2](#))

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**379A** [<sup>F1115</sup>**Losses from UK property business**].

F1116 .....

**Textual Amendments**

**F1115** S. 379A sidenote substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by virtue of [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 156\(7\)](#) (with [Sch. 2](#))

**F1116** Pt. 10 Ch. 1 (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1117</sup>**Losses from overseas property business.**

**379B** <sup>F1118</sup> ..... ]]

**Textual Amendments**

**F1117** S. 379B inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 5 para. 27](#) (with [Sch. 5 para. 73](#))

**F1118** Pt. 10 Ch. 1 (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Trade etc. losses*

**380 Set-off against general income.**

F1119 .....

**Textual Amendments**

**F1119** Pt. 10 Ch. 1 (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**381 Further relief for individuals for losses in early years of trade.**

F1120 .....

**Textual Amendments**

**F1120** Pt. 10 Ch. 1 (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**382 Provisions supplementary to sections 380 and 381.**

F1121 .....



*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1121 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**383 Extension of right of set-off to capital allowances.**

**F1122** .....

**Textual Amendments**

**F1122 S. 383** repealed (with effect in accordance with ss. 211(2), 218(1)(b) of the repealing Act) by [Finance Act 1994 \(c. 9\), s. 214\(1\)\(b\)](#), [Sch. 26 Pt. 5\(24\)](#), Note 5

**384 Restrictions on right of set-off.**

**F1123** .....

**Textual Amendments**

**F1123 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**[<sup>F1124</sup>384A Restriction of set-off of allowances against general income**

**F1125** .....]

**Textual Amendments**

**F1124 S. 384A** inserted (with effect in accordance with s. 579(1) of the amending Act) by [Capital Allowances Act 2001 \(c. 2\), Sch. 2 para. 30](#) (with [Sch. 3](#))

**F1125 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**385 Carry-forward against subsequent profits.**

**F1126** .....

**Textual Amendments**

**F1126 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**386 Carry-forward where business transferred to a company.**

**F1127** .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1127 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**387 Carry-forward as losses of amounts taxed under section 350.**

F1128 .....

**Textual Amendments**

**F1128 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**388 Carry-back of terminal losses.**

F1129 .....

**Textual Amendments**

**F1129 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**389 Supplementary provisions relating to carry-back of terminal losses.**

F1130 .....

**Textual Amendments**

**F1130 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**390 Treatment of interest as a loss for purposes of carry-forward and carry-back.**

F1131 .....

**Textual Amendments**

**F1131 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**391 Losses from trade etc. carried on abroad**

F1132 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1132 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Case VI losses*

**392 Losses from miscellaneous transactions**

**F1133**  
.....

**Textual Amendments**

**F1133 Pt. 10 Ch. 1** (ss. 379A-392) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 73, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1134</sup>CHAPTER II

LOSS RELIEF: CORPORATION TAX]

**Textual Amendments**

**F1134 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*[<sup>F1135</sup> Losses from [<sup>F1136</sup>UK property business] or overseas property business*

**Textual Amendments**

**F1135 Ss. 392A, 392B** and preceding cross-heading inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 5 para. 28](#) (with [Sch. 5 paras. 72, 73](#))

**F1136** Words in cross-heading preceding s. 392A substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 108\(8\)](#) (with [Sch. 2 Pts. 1, 2](#))

**392A [<sup>F1137</sup>UK property business losses]**

**F1138**  
.....

**Textual Amendments**

**F1137 S. 392A** title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 108\(7\)](#) (with [Sch. 2 Pts. 1, 2](#))

**F1138 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Status: Point in time view as at 19/07/2013.*

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### **392B Losses from overseas property business.**

F1139 ..... ]

#### **Textual Amendments**

**F1139 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Trade etc. losses*

### **393 Losses other than terminal losses.**

F1140 .....

#### **Textual Amendments**

**F1140 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **[<sup>F1141</sup>393A Losses: set off against profits of the same, or an earlier, accounting period.**

F1142 ..... ]

#### **Textual Amendments**

**F1141 S. 393A** inserted by [Finance Act 1991 \(c. 31\), s. 73\(1\)\(4\)\(5\)](#)

**F1142 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **[<sup>F1143</sup>393B Losses of ring fence trade: set off against profits of an earlier accounting period**

F1144 ..... ]

#### **Textual Amendments**

**F1143 S. 393B** inserted (with effect in accordance with s. 111(3) of the amending Act) by [Finance Act 2008 \(c. 9\), s. 111\(1\)](#)

**F1144 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **<sup>F1145</sup>394 Terminal losses.**

.....

#### **Textual Amendments**

**F1145 S. 394** repealed by [Finance Act 1991 \(c. 31\), ss. 73\(2\)\(4\)\(5\), 123, Sch. 19 Pt. V](#)

*Status: Point in time view as at 19/07/2013.*

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### 395 Leasing contracts and company reconstructions.

F1146 .....

#### Textual Amendments

**F1146 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### Case VI losses

### 396 [<sup>F1147</sup>Losses from miscellaneous transactions]

F1148 .....

#### Textual Amendments

**F1147 S. 396** title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 112\(5\)](#) (with [Sch. 2 Pts. 1, 2](#))

**F1148 Pt. 10 Ch. 2** (ss. 392A-396) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 34, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## CHAPTER III

### LOSS RELIEF: MISCELLANEOUS PROVISIONS

### 397 Restriction of relief in case of farming and market gardening.

F1149 .....

#### Textual Amendments

**F1149 S. 397** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 35, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 398 Transactions in deposits with and without certificates or in debts.

<sup>M71</sup>Where [<sup>F1150</sup>a company] sustains a loss on the exercise or disposal of a right to receive any amount, being a right to which section 56(2) <sup>F1151</sup> . . . applies, in a case where—

- (a) if a profit had arisen from that exercise or disposal, that profit would have been chargeable to [<sup>F1152</sup>corporation] tax by virtue of section 56(2) <sup>F1153</sup> . . . , and
- (b) [<sup>F1154</sup>the company is chargeable to corporation tax under [<sup>F1155</sup>Part 5 of CTA 2009 (loan relationships)] in respect of interest payable on that amount,

then the amount of that interest shall be included in the amounts against which [<sup>F1156</sup>the amount of its loss may be set off under [<sup>F1157</sup>section 91 of CTA 2010].]

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**Textual Amendments**

- F1150** Words in s. 398 substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 75(2)** (with [Sch. 2](#))
- F1151** Words in s. 398 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 75\(3\)](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F1152** Words in s. 398(a) inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 75(4)(a)** (with [Sch. 2](#))
- F1153** Words in s. 398(a) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 75\(4\)\(b\)](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))
- F1154** Words in s. 398(b) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 75(5)** (with [Sch. 2](#))
- F1155** Words in s. 398(b) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), **Sch. 1 para. 114** (with [Sch. 2 Pts. 1, 2](#))
- F1156** Words in s. 398 substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 75(6)** (with [Sch. 2](#))
- F1157** Words in s. 398 substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 36** (with [Sch. 2](#))

**Marginal Citations**

- M71** Source—1973 s.26(2); 1974 s.30(2)

**399 Dealings in commodity futures etc: withdrawal of loss relief.**

**F1158** .....

**Textual Amendments**

- F1158** S. 399 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 37](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**400 Write-off of government investment.**

**F1159** .....

**Textual Amendments**

- F1159** S. 400 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 38](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**401 Relief for pre-trading expenditure.**

**F1160** .....

**Textual Amendments**

- F1160** S. 401 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 117](#), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1, 2](#))

*Status: Point in time view as at 19/07/2013.*

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[<sup>F1161</sup>CHAPTER IV  
GROUP RELIEF]

**Textual Amendments**

**F1161** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

**402 Surrender of relief between members of groups and consortia.**

<sup>F1162</sup> .....

**Textual Amendments**

**F1162** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

**403 Losses etc. which may be surrendered by way of group relief.**

<sup>F1163</sup> .....

**Textual Amendments**

**F1163** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

[<sup>F1164</sup>**403ZA** Amounts eligible for group relief: trading losses.

<sup>F1165</sup> .....

**Textual Amendments**

**F1164** Ss. 403-403ZE substituted for s. 403 (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), Sch. 5 para. 29 (with Sch. 5 para. 73)  
**F1165** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

**403ZB** Amounts eligible for group relief: excess capital allowances.

<sup>F1166</sup> .....

**Textual Amendments**

**F1164** Ss. 403-403ZE substituted for s. 403 (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), Sch. 5 para. 29 (with Sch. 5 para. 73)  
**F1166** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

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**403ZC Amounts eligible for group relief: non-trading deficit on loan relationships.**

F1167 .....

**Textual Amendments**

**F1164** Ss. 403-403ZE substituted for s. 403 (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 5 para. 29** (with Sch. 5 para. 73)

**F1167** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

**403ZD Other amounts available by way of group relief.**

F1168 .....

**Textual Amendments**

**F1164** Ss. 403-403ZE substituted for s. 403 (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 5 para. 29** (with Sch. 5 para. 73)

**F1168** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

**403ZE Computation of gross profits.**

F1169 ..... ]

**Textual Amendments**

**F1164** Ss. 403-403ZE substituted for s. 403 (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 5 para. 29** (with Sch. 5 para. 73)

**F1169** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

**[<sup>F1170</sup>403A Limits on group relief.**

F1171 .....

**Textual Amendments**

**F1170** Ss. 403A-403C inserted (with effect in accordance with Sch. 7 para. 9 of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **Sch. 7 para. 2**

**F1171** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

**403B Apportionments under section 403A.**

F1172 .....



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**Textual Amendments**

**F1170** Ss. 403A-403C inserted (with effect in accordance with [Sch. 7 para. 9](#) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), **Sch. 7 para. 2**

**F1172** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 39](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**403C Amount of relief in consortium cases.**

**F1173** ..... ]

**Textual Amendments**

**F1170** Ss. 403A-403C inserted (with effect in accordance with [Sch. 7 para. 9](#) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), **Sch. 7 para. 2**

**F1173** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 39](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

[<sup>F1174</sup> **403D** <sup>F1175</sup> **Relief for or in respect of UK losses of non-resident companies]**

**F1176** .....

**Textual Amendments**

**F1174** Ss. 403D, 403E inserted (with effect in accordance with [Sch. 27 para. 6\(1\)\(2\)\(4\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 27 para. 4**

**F1175** S. 403D title substituted (with effect in accordance with [Sch. 1 para. 9](#) of the amending Act) by virtue of [Finance Act 2006 \(c. 25\)](#), **Sch. 1 para. 3(4)**

**F1176** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 39](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**403E Relief for overseas losses of UK resident companies.**

**F1177** ..... ]

**Textual Amendments**

**F1174** Ss. 403D, 403E inserted (with effect in accordance with [Sch. 27 para. 6\(1\)\(2\)\(4\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 27 para. 4**

**F1177** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 39](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

[<sup>F1178</sup> **403E** **Relief in respect of overseas losses of non-resident companies**

**F1179** ..... ]

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#### Textual Amendments

**F1178**S. 403F inserted (with effect in accordance with Sch. 1 para. 9 of the amending Act) by Finance Act 2006 (c. 25), Sch. 1 para. 4(1)

**F1179**Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

### [<sup>F1180</sup> 403G] allowable overseas losses of non-resident companies

F1181 . . . . . ]

#### Textual Amendments

**F1180**S. 403G inserted (with effect in accordance with Sch. 1 para. 9 of the amending Act) by Finance Act 2006 (c. 25), Sch. 1 para. 4(2)

**F1181**Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

### 404 Limitation of group relief in relation to certain dual resident companies.

F1182 . . . . .

#### Textual Amendments

**F1182**Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

### 405 Claims relating to losses etc. of members of both group and consortium.

F1183 . . . . .

#### Textual Amendments

**F1183**Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

### 406 Claims relating to losses etc. of consortium company or group member.

F1184 . . . . .

#### Textual Amendments

**F1184**Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, Sch. 3 Pt. 1 (with Sch. 2)

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#### **407 Relationship between group relief and other relief.**

F1185  
.....

##### **Textual Amendments**

**F1185 Pt. 10 Ch. 4** (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 39, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### **408 Corresponding accounting periods.**

F1186  
.....

##### **Textual Amendments**

**F1186 Ss. 408, 409** repealed (with effect in accordance with Sch. 7 para. 9, Sch. Pt. 2(14) Note of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 7 para. 6, Sch. 8 Pt. 2\(14\)](#)

#### **409 Companies joining or leaving group or consortium.**

F1187  
.....

##### **Textual Amendments**

**F1187 Ss. 408, 409** repealed (with effect in accordance with Sch. 7 para. 9, Sch. Pt. 2(14) Note of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), Sch. 7 para. 6, Sch. 8 Pt. 2\(14\)](#)

#### **410 Arrangements for transfer of company to another group or consortium.**

F1188  
.....

##### **Textual Amendments**

**F1188 Pt. 10 Ch. 4** (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 39, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### **411 Exclusion of double allowances.**

F1189  
.....

##### **Textual Amendments**

**F1189 Pt. 10 Ch. 4** (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 39, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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[<sup>F1190</sup>~~411Z~~ **No relief where deduction of relevant return under alternative finance arrangements disallowed**

F1191 ..... ]

**Textual Amendments**

**F1190** S. 411ZA inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 124** (with Sch. 2 Pts. 1, 2)

**F1191** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F1192</sup>~~411A~~ **Group relief by way of substitution for loss relief.**

F1193 ..... ]

**Textual Amendments**

**F1192** S. 411A inserted (with effect in accordance with s. 101(2) of the amending Act) by Finance Act 1990 (c. 29), **s. 101(1)**

**F1193** S. 411A repealed (with effect in accordance with s. 93(2) of the repealing Act) by Finance Act 1999 (c. 16), Sch. 11 para. 1, **Sch. 20 Pt. 3(21)**, Note

**412 Claims and adjustments.**

F1194 .....

**Textual Amendments**

**F1194** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

**413 Interpretation of Chapter IV.**

F1195 .....

**Textual Amendments**

**F1195** Pt. 10 Ch. 4 (ss. 402-413) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 39, **Sch. 3 Pt. 1** (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

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## PART XI

### CLOSE COMPANIES

#### [<sup>F1196</sup>CHAPTER I

#### INTERPRETATIVE PROVISIONS]

##### Textual Amendments

**F1196**Pt. 11 Ch. 1 (ss. 414-418) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 40](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### 414 Close companies.

F1197  
.....

##### Textual Amendments

**F1197**Pt. 11 Ch. 1 (ss. 414-418) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 40](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### 415 Certain quoted companies not to be close companies.

F1198  
.....

##### Textual Amendments

**F1198**Pt. 11 Ch. 1 (ss. 414-418) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 40](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### 416 Meaning of “associated company” and “control”.

F1199  
.....

##### Textual Amendments

**F1199**Pt. 11 Ch. 1 (ss. 414-418) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 40](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### 417 Meaning of “participator”, “associate”, “director” and “loan creditor”.

F1200  
.....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1200**Pt. 11 Ch. 1 (ss. 414-418) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 40](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

*Additional matters to be treated as distributions*

**418 “Distribution” to include certain expenses of close companies.**

**F1201**  
 .....

**Textual Amendments**

**F1201**Pt. 11 Ch. 1 (ss. 414-418) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 40](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

[<sup>F1202</sup>CHAPTER II

CHARGES TO TAX IN CONNECTION WITH LOANS]

**Textual Amendments**

**F1202**Pt. 11 Ch. 2 (ss. 419-422) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 41](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**419 Loans to participators etc.**

**F1203**  
 .....

**Textual Amendments**

**F1203**Pt. 11 Ch. 2 (ss. 419-422) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 41](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**420 Exceptions from section 419.**

**F1204**  
 .....

**Textual Amendments**

**F1204**Pt. 11 Ch. 2 (ss. 419-422) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 41](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**421 Taxation of borrower when loan under section 419 released etc**

**F1205**  
 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1205**Pt. 11 Ch. 2 (ss. 419-422) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 41](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

**422 Extension of section 419 to loans by companies controlled by close companies.**

**F1206** .....

**Textual Amendments**

**F1206**Pt. 11 Ch. 2 (ss. 419-422) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 41](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

[<sup>F1207</sup> **CHAPTER III**

**APPORTIONMENT OF UNDISTRIBUTED INCOME ETC.]**

**Textual Amendments**

**F1207**Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by [Finance Act 1989 \(c. 4\), Sch. 17 Pt. 5](#), Note 4 (with s. 103(2))

<sup>F1208</sup> **423 Apportionment of certain income, deductions and interest.**

.....

**Textual Amendments**

**F1208**Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by [Finance Act 1989 \(c. 4\), Sch. 17 Pt. 5](#), Note 4 (with s. 103(2))

<sup>F1209</sup> **424 Exclusions from section 423.**

.....

**Textual Amendments**

**F1209**Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by [Finance Act 1989 \(c. 4\), Sch. 17 Pt. 5](#), Note 4 (with s. 103(2))

<sup>F1210</sup> **425 Manner of apportionment.**

.....

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**Textual Amendments**

**F1210** Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by Finance Act 1989 (c. 4), **Sch. 17 Pt. 5**, Note 4 (with s. 103(2))

**F1211 426 Charge to income tax where apportionment is to an individual.**

.....

**Textual Amendments**

**F1211** Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by Finance Act 1989 (c. 4), **Sch. 17 Pt. 5**, Note 4 (with s. 103(2))

**F1212 427 Reduction of charge under section 426 in certain cases.**

.....

**Textual Amendments**

**F1212** Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by Finance Act 1989 (c. 4), **Sch. 17 Pt. 5**, Note 4 (with s. 103(2))

**F1213 428 Increase of apportioned sum etc. by reference to ACT.**

.....

**Textual Amendments**

**F1213** Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by Finance Act 1989 (c. 4), **Sch. 17 Pt. 5**, Note 4 (with s. 103(2))

**F1214 429 Payment and collection of income tax.**

.....

**Textual Amendments**

**F1214** Pt. 11 Ch. 3 (ss. 423-430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by Finance Act 1989 (c. 4), **Sch. 17 Pt. 5**, Note 4 (with s. 103(2))

**F1215 430 Consequences of apportionment: ACT.**

.....



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**Textual Amendments**

**F1215**Pt. 11 Ch. 3 (ss. 423–430) repealed (with effect in accordance with s. 103(1) of the repealing Act) by Finance Act 1989 (c. 4), **Sch. 17 Pt. 5**, Note 4 (with s. 103(2))

**PART XII**

**SPECIAL CLASSES OF COMPANIES AND BUSINESSES**

**CHAPTER I**

**INSURANCE COMPANIES, UNDERWRITERS  
AND CAPITAL REDEMPTION BUSINESS**

*Insurance companies: general*

**431 Interpretative provisions relating to insurance companies.**

**F1216** . . . . .

**Textual Amendments**

**F1216**S. 431 omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 11** (with Sch. 17) (subject to an amendment (1.4.2013) by Financial Services Act 2012 (c. 21), **s. 58(5)**; S.I. 2013/423, art. 3, **Sch.**)

[<sup>F1217</sup>**431ZA** **Section that assets not be foreign business assets**

**F1218** . . . . . ]

**Textual Amendments**

**F1217**S. 431ZA inserted (with effect in accordance with Sch. 17 para. 10(6)(7) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 17 para. 10(2)**  
**F1218**S. 431ZA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 12** (with Sch. 17)

[<sup>F1219</sup>**431A** **Amendment of Chapter etc**

**F1220** . . . . . ]

**Textual Amendments**

**F1219**S. 431A inserted (1.1.1990) by Finance Act 1990 (c. 29), Sch. 6 paras. 2, **11(2)** (with Sch. 6 para. 12)  
**F1220**S. 431A omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 13** (with Sch. 17)

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[<sup>F1221</sup> **431A Relevant benefits for purposes of section 431(4)(d) and (e).**

F1222  
 .....

**Textual Amendments**

F1221S. 431AA inserted (with application in accordance with s. 143(5) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), [s. 143\(4\)](#)

F1222S. 431AA repealed (with effect in accordance with Sch. 8 para. 57 of the repealing Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 29 Pt. 8\(5\)](#), Note 2

*[<sup>F1223</sup>Classes of life assurance business]*

**Textual Amendments**

F1223Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 2](#)

[<sup>F1224</sup> **431B Meaning of “pension business”.**

F1225  
 .....

**Textual Amendments**

F1224Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 2](#)

F1225S. 431B omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 14](#) (with Sch. 17)

[<sup>F1226</sup> **Meaning of “child trust fund business”**

<sup>F1227</sup> **431BA**  
 .....

**Textual Amendments**

F1224Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 2](#)

F1226Ss. 431BA, 431BB inserted (with effect in accordance with s. 38(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 8](#) (with Sch. 7 Pt. 2)

F1227S. 431BA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 15](#) (with Sch. 17)

**431BB Meaning of “individual savings account business”**

F1228  
 .....

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**Textual Amendments**

- F1224**Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by **Finance Act 1995 (c. 4), Sch. 8 para. 2**
- F1226**Ss. 431BA, 431BB inserted (with effect in accordance with s. 38(2) of the amending Act) by **Finance Act 2007 (c. 11), Sch. 7 para. 8** (with **Sch. 7 Pt. 2**)
- F1228**S. 431BB omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of **Finance Act 2012 (c. 14), Sch. 16 para. 16** (with **Sch. 17**)

**431C Meaning of “life reinsurance business”.**

**F1229** .....

**Textual Amendments**

- F1224**Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by **Finance Act 1995 (c. 4), Sch. 8 para. 2**
- F1229**S. 431C omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of **Finance Act 2012 (c. 14), Sch. 16 para. 17** (with **Sch. 17**)

**431D Meaning of “overseas life assurance business”.**

**F1230** .....

**Textual Amendments**

- F1224**Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by **Finance Act 1995 (c. 4), Sch. 8 para. 2**
- F1230**Ss. 431D, 431E omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of **Finance Act 2012 (c. 14), Sch. 16 para. 18** (with **Sch. 17**)

**431E Overseas life assurance business: regulations.**

**F1231** .....

**Textual Amendments**

- F1224**Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by **Finance Act 1995 (c. 4), Sch. 8 para. 2**
- F1231**Ss. 431D, 431E omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of **Finance Act 2012 (c. 14), Sch. 16 para. 18** (with **Sch. 17**)

**[** **F1232** **431EA** **F1233** **Meaning of “gross roll-up business”** **]**  
.....]

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**Textual Amendments**

- F1224**Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **Sch. 8 para. 2**
- F1232**S. 431EA inserted (with effect in accordance with s. 38(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), **Sch. 7 para. 10** (with Sch. 7 Pt. 2)
- F1233**S. 431EA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 19** (with Sch. 17)

**431F Meaning of “basic life assurance and general annuity business”.**

**F1234** . . . . . ]

**Textual Amendments**

- F1224**Ss. 431B-431F and cross-heading inserted (with effect in accordance with Sch. 8 paras. 55, 57 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **Sch. 8 para. 2**
- F1234**S. 431F omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 20** (with Sch. 17)

[<sup>F1235</sup>[<sup>F1236</sup>*Basis of taxation etc*]]

**Textual Amendments**

- F1235**Cross-heading before s. 432 inserted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **Sch. 8 para. 51(2)** (with Sch. 8 para. 55(2))
- F1236**Ss. 431G, 431H and preceding cross-heading substituted for s. 432 and preceding cross-heading (with effect in accordance with s. 39(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), **Sch. 8 para. 4** (with Sch. 8 Pt. 2)

[<sup>F1237</sup>**431G Company carrying on life assurance business**

**F1238** . . . . . ]

**Textual Amendments**

- F1237**Ss. 431G, 431H and preceding cross-heading substituted for s. 432 and preceding cross-heading (with effect in accordance with s. 39(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), **Sch. 8 para. 4** (with Sch. 8 Pt. 2)
- F1238**S. 431G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 21** (with Sch. 17)

[<sup>F1239</sup>**431H Company carrying on life assurance business and other insurance business**

**F1240** . . . . . ]

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**Textual Amendments**

- F1239**Ss. 431G, 431H and preceding cross-heading substituted for s. 432 and preceding cross-heading (with effect in accordance with s. 39(2) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 8 para. 4](#) (with [Sch. 8 Pt. 2](#))
- F1240**S. 431H omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 22](#) (with [Sch. 17](#))

[<sup>F1244</sup>**432YA**<sup>F1245</sup> **PHI business] other than life assurance business — adjustment consequent on change in Insurance Prudential Sourcebook**

<sup>F1246</sup> . . . . . ]

**Textual Amendments**

- F1244**S. 432YA inserted (8.1.2007 with effect in accordance with art. 1(2) of the amending S.I.) by [The Insurance Companies \(Corporation Tax Acts\) \(Amendment No. 2\) Order 2006 \(S.I. 2006/3387\)](#), [arts. 1\(1\), 2](#)
- F1245**Words in s. 432YA heading substituted (27.12.2008 with effect in accordance with art. 1(2) of the amending S.I.) by [The Insurance Companies \(Corporation Tax Acts\) \(Amendment\) \(No. 2\) Order 2008 \(S.I. 2008/3096\)](#), [arts. 1\(1\), 2\(4\)](#)
- F1246**S. 431YA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 23](#) (with [Sch. 17](#))

[<sup>F1247</sup>**432ZA** **linked assets.**

<sup>F1248</sup> . . . . . ]

**Textual Amendments**

- F1247**S. 432ZA inserted (with effect in accordance with [Sch. 8 para. 57\(1\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 11\(2\)](#) (with [Sch. 8 para. 55\(2\)](#))
- F1248**S. 431ZA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 24](#) (with [Sch. 17](#))

[<sup>F1249</sup>**432A** **Apportionment of income and gains.**

<sup>F1250</sup> . . . . . ]

**Textual Amendments**

- F1249**Ss. 432A-432E inserted by [Finance Act 1990 \(c. 29\)](#), [Sch. 6 para. 4](#)
- F1250**S. 432A omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 25](#) (with [Sch. 17](#))

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**[<sup>F1251</sup>432AA<sup>F1252</sup> UK property business or overseas property business]**

<sup>F1253</sup> . . . . . ]

**Textual Amendments**

- F1251** Ss. 432AA, 432AB inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 5 para 39** (with Sch. 5 para. 73)
- F1252** S. 432AA title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 131(3)** (with Sch. 2 Pts. 1, 2)
- F1253** S. 432AA omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 26** (with Sch. 17)

**432AB Losses from [<sup>F1254</sup>UK property business] or overseas property business.**

<sup>F1255</sup> . . . . . ]

**Textual Amendments**

- F1251** Ss. 432AA, 432AB inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 5 para 39** (with Sch. 5 para. 73)
- F1254** Words in s. 432AB title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 132(4)** (with Sch. 2 Pts. 1, 2)
- F1255** S. 432AB omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 27** (with Sch. 17)

**[<sup>F1256</sup>432B Apportionment of receipts brought into account.**

<sup>F1257</sup> . . . . . ]

**Textual Amendments**

- F1256** Ss. 432A-432E inserted by Finance Act 1990 (c. 29), **Sch. 6 para. 4**
- F1257** Ss. 432B-432G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 28** (with Sch. 17)

**[<sup>F1258</sup>432C Section 432B apportionment: non-participating funds**

<sup>F1259</sup> . . . . . ]

**Textual Amendments**

- F1258** Ss. 432A-432E inserted by Finance Act 1990 (c. 29), **Sch. 6 para. 4**
- F1259** Ss. 432B-432G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 28** (with Sch. 17)

**[<sup>F1260</sup>432CA Apportionment of asset value increase where line 51 amount decreases**

<sup>F1261</sup> . . . . . ]

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**Textual Amendments**

- F1260**S. 432CA inserted (with effect in accordance with s. 47(2)-(4) of the amending Act) by [Finance Act 2010 \(c. 13\)](#), [s. 47\(1\)](#)
- F1261**Ss. 432B-432G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 28](#) (with [Sch. 17](#))

[<sup>F1262</sup>**432CB Transfers of business involving excess assets**

<sup>F1263</sup> . . . . . ]

**Textual Amendments**

- F1262**S. 432CB inserted (with effect in accordance with s. 9(2) of the amending Act) by [Finance \(No. 2\) Act 2010 \(c. 31\)](#), [s. 9\(1\)](#)
- F1263**Ss. 432B-432G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 28](#) (with [Sch. 17](#))

[<sup>F1264</sup>**432B Section 432B apportionment: value of non-participating funds.**

<sup>F1265</sup> . . . . . ]

**Textual Amendments**

- F1264**Ss. 432A-432E inserted by [Finance Act 1990 \(c. 29\)](#), [Sch. 6 para. 4](#)
- F1265**S. 432D repealed (with effect in accordance with s. 38(2) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 18](#), [Sch. 27 Pt. 2\(7\)](#), Note (with [Sch. 7 Pt. 2](#))

[<sup>F1266</sup>**432B Section 432B apportionment: participating funds.**

<sup>F1267</sup> . . . . . ]

**Textual Amendments**

- F1266**Ss. 432A-432E inserted by [Finance Act 1990 \(c. 29\)](#), [Sch. 6 para. 4](#)
- F1267**Ss. 432B-432G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 28](#) (with [Sch. 17](#))

[<sup>F1268</sup>**432B Section 432B apportionment: supplementary provisions.**

<sup>F1269</sup> . . . . . ]

**Textual Amendments**

- F1268**S. 432F inserted (with effect in accordance with [Sch. 8 para. 53](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 17\(3\)](#) (with [Sch. 8 para. 55\(2\)](#))
- F1269**Ss. 432B-432G omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 28](#) (with [Sch. 17](#))

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**[<sup>F1270</sup> 432 Section 432B apportionment: business transfers-in**

F1271  
 ..... ]

**Textual Amendments**

**F1270S. 432G** inserted (1.1.2005 with effect in accordance with art. 1 of the amending S.I.) by [The Insurance Companies \(Corporation Tax Acts\) Order 2004 \(S.I. 2004/3266\)](#), **art. 4**

**F1271Ss. 432B-432G** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 28** (with [Sch. 17](#))

**[<sup>F1272</sup> 433 Profits reserved for policy holders and annuitants.**

.....

**Textual Amendments**

**F1272S. 433** repealed (14.3.1989) by [Finance Act 1989 \(c. 26\)](#), s. 84(5), [Sch. 8 para. 2](#), **Sch. 17 Pt. IV**, Note 3 (with s. 84(6))

*[<sup>F1273</sup> Miscellaneous provisions relating to life assurance business]*

**Textual Amendments**

**F1273** Cross-heading before s. 434 inserted (with effect in accordance with [Sch. 8 para. 57\(1\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **Sch. 8 para. 51(4)** (with [Sch. 8 para. 55\(2\)](#))

**434 Franked investment income etc.**

F1274  
 ..... ]

**Textual Amendments**

**F1274S. 434** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 29** (with [Sch. 17](#))

**[<sup>F1275</sup> 434A Computation of losses and limitation on relief.**

F1276  
 ..... ]

**Textual Amendments**

**F1275S. 434A** inserted by [Finance Act 1989 \(c. 26\)](#), s. 84(4)-(6), **Sch. 8 para. 4**

**F1276S. 434A** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 30** (with [Sch. 17](#))



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[<sup>F1277</sup> **434AZA** **Advanced loss relief for additions to non-profit funds**

F1278  
.....]

**Textual Amendments**

**F1277**Ss. 434AZA-434AZC inserted (with effect in accordance with Sch. 23 para. 3(2) of the amending Act) by Finance Act 2009 (c. 10), **Sch. 23 para. 3(1)**

**F1278**Ss. 434AZA-434AZC omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 31** (with Sch. 17)

**434AZB** **Additions to non-profit funds: amount of loss reduction**

F1279  
.....]

**Textual Amendments**

**F1277**Ss. 434AZA-434AZC inserted (with effect in accordance with Sch. 23 para. 3(2) of the amending Act) by Finance Act 2009 (c. 10), **Sch. 23 para. 3(1)**

**F1279**Ss. 434AZA-434AZC omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 31** (with Sch. 17)

**434AZC** **Sections 434AZA and 434AZB: supplementary**

F1280  
.....]

**Textual Amendments**

**F1277**Ss. 434AZA-434AZC inserted (with effect in accordance with Sch. 23 para. 3(2) of the amending Act) by Finance Act 2009 (c. 10), **Sch. 23 para. 3(1)**

**F1280**Ss. 434AZA-434AZC omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 31** (with Sch. 17)

[<sup>F1281</sup> **434B** **Treatment of interest and annuities.**

(1) <sup>F1282</sup> .....

(2) <sup>F1283</sup> .....

**Textual Amendments**

**F1281**S. 434B inserted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 8 para. 21(1)** (with Sch. 8 para. 55(2))

**F1282**S. 434B(1) repealed (with effect in accordance with s. 165(4)(5) of the repealing Act) by Finance Act 1996 (c. 8), s. 165(3), **Sch. 41 Pt 5(25)**, Note (with Sch. 14 para. 24)

**F1283**S. 434B(2) repealed (with effect in accordance with s. 67(7), Sch. 18 Pt. 6(6) Note of the repealing Act) by Finance Act 1997 (c. 16), s. 67(4), **Sch. 18 Pt. 6(6)**

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**[<sup>F1284</sup> 434C Interest on repayment of advance corporation tax.**

F1285  
 .....

**Textual Amendments**

**F1284S.** 434C inserted (with effect in accordance with Sch. 8 paras. 54, 57(1) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 8 para. 22** (with Sch. 8 para. 55(2))

**F1285S.** 434C repealed (with effect in accordance with Sch. 3 para. 26(2) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 26(1), **Sch. 27 Pt. 3(2)**, Note

**[<sup>F1286</sup> 434D Capital allowances: management assets.**

F1287  
 .....

**Textual Amendments**

**F1286Ss.** 434D, 434E inserted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 8 para. 23(1)** (with Sch. 8 para. 55(2))

**F1287S.** 434D repealed (with effect in accordance with s. 579 of the repealing Act) by Capital Allowances Act 2001 (c. 2), Sch. 2 para. 39, **Sch. 4**

**434E Capital allowances: investment assets.**

F1288  
 .....

**Textual Amendments**

**F1286Ss.** 434D, 434E inserted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 8 para. 23(1)** (with Sch. 8 para. 55(2))

**F1288S.** 434E repealed (with effect in accordance with s. 579 of the repealing Act) by Capital Allowances Act 2001 (c. 2), Sch. 2 para. 39, **Sch. 4**

**<sup>F1289</sup> 435 Taxation of gains reserved for policy holders and annuitants.**

.....

**Textual Amendments**

**F1289S.** 435 repealed (with effect in accordance with s. 84(5)(b) of the repealing Act) by Finance Act 1989 (c. 26), s. 84(4), Sch. 8 para. 5, **Sch. 17 Pt. IV**, Note 3 (with s. 84(6))

**436 [<sup>F1290</sup> Pension business]: separate charge on profits.**

F1291  
 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F1290** Words in s. 436 sidenote substituted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 8 para. 51(5)** (with Sch. 8 para. 55(2))
- F1291** S. 436 repealed (with effect in accordance with s. 38(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 7 para. 24, **Sch. 27 Pt. 2(7)**, Note (with Sch. 7 Pt. 2)

[<sup>F1292</sup> **436A Gross roll-up business: separate charge on profits**

**F1293** . . . . . ]

**Textual Amendments**

- F1292** Ss. 436A, 436B inserted (with effect in accordance with s. 38(2) of the amending Act) by Finance Act 2007 (c. 11), **Sch. 7 para. 25** (with Sch. 7 Pt. 2)
- F1293** S. 436A omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 32** (with Sch. 17)

**436B Gains referable to gross roll-up business not to be chargeable gains**

**F1294** . . . . . ]

**Textual Amendments**

- F1292** Ss. 436A, 436B inserted (with effect in accordance with s. 38(2) of the amending Act) by Finance Act 2007 (c. 11), **Sch. 7 para. 25** (with Sch. 7 Pt. 2)
- F1294** S. 436B omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 33** (with Sch. 17)

**437 General annuity business.**

**F1295** . . . . . ]

**Textual Amendments**

- F1295** Ss. 437, 437A omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 34** (with Sch. 17)

[<sup>F1296</sup> **437A Meaning of “steep-reduction annuity” etc.**

**F1297** . . . . . ]

**Textual Amendments**

- F1296** S. 437A inserted (with effect in accordance with s. 67(8) of the amending Act) by Finance Act 1997 (c. 16), **s. 67(3)**
- F1297** Ss. 437, 437A omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 34** (with Sch. 17)

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#### **438 Pension business: exemption from tax.**

F1298 .....

##### **Textual Amendments**

**F1298S. 438** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 35](#) (with [Sch. 17](#))

#### **[<sup>F1299</sup>438 Pension business: payments on account of tax credits and deducted tax.**

F1300 ..... ]

##### **Textual Amendments**

**F1299S. 438A** inserted (2.10.1992) by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), [s. 49\(1\)](#); S.I. 1992/1746, [art.2](#)  
**F1300S. 438A** repealed (with effect in accordance with s. 87(2)(5) of the repealing Act) by [Finance Act 2001 \(c. 9\)](#), [s. 87\(1\)](#), [Sch. 33 Pt. 2\(12\)](#)

#### **[<sup>F1301</sup>438 Income or gains arising from property investment LLP**

F1302 .....

##### **Textual Amendments**

**F1301Ss. 438B, 438C** inserted (6.4.2001) by [Finance Act 2001 \(c. 9\)](#), [s. 76](#), [Sch. 25 para. 5](#)  
**F1302S. 438B** repealed (with effect in accordance with s. 38(2) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 27](#), [Sch. 27 Pt. 2\(7\)](#), Note (with [Sch. 7 Pt. 2](#))

#### **438C Determination of policy holders' share for purposes of s.438B**

F1303 ..... ]

##### **Textual Amendments**

**F1301Ss. 438B, 438C** inserted (6.4.2001) by [Finance Act 2001 \(c. 9\)](#), [s. 76](#), [Sch. 25 para. 5](#)  
**F1303S. 438C** repealed (with effect in accordance with s. 38(2) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 28](#), [Sch. 27 Pt. 2\(7\)](#), Note (with [Sch. 7 Pt. 2](#))

#### **439 Restricted government securities.**

F1304 .....

##### **Textual Amendments**

**F1304S. 439** repealed (with effect in accordance with s. 38(2) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 29](#), [Sch. 27 Pt. 2\(7\)](#), Note (with [Sch. 7 Pt. 2](#))

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[<sup>F1305</sup> **439A** Taxation of pure reinsurance business.

F1306 ..... ]

**Textual Amendments**

**F1305S.** 439A inserted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by Finance Act 1995 (c. 4), Sch. 8 para. 26 (with Sch. 8 para. 55(2))

**F1306S.** 439A repealed (with effect in accordance with s. 39(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 8 para. 7, Sch. 27 Pt. 2(8), Note (with Sch. 8 Pt. 2)

[<sup>F1307</sup> **439B** Life reinsurance business: separate charge on profits.

F1308 ..... ]

**Textual Amendments**

**F1307S.** 439B inserted (with effect in accordance with Sch. 8 para. 57(1) of the amending Act) by Finance Act 1995 (c. 4), Sch. 8 para. 27(1) (with Sch. 8 para. 55(2))

**F1308S.** 439B repealed (with effect in accordance with s. 38(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 7 para. 30, Sch. 27 Pt. 2(7), Note (with Sch. 7 Pt. 2)

**440 Transfers of assets etc.**

F1309 ..... ]

**Textual Amendments**

**F1309S.** 440 omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 16 para. 36 (with Sch. 17)

[<sup>F1310</sup> **440A** Securities.

F1311 ..... ]

**Textual Amendments**

**F1310Ss.** 440, 440A substituted for s. 440 (1.1.1990) by Finance Act 1990 (c. 29), Sch. 6 paras. 8, 11(2) (with Sch. 6 para. 12)

**F1311S.** 440A omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 16 para. 37 (with Sch. 17)

[<sup>F1312</sup> **440B** Modifications where tax charged under [<sup>F1313</sup> section 35 of CTA 2009].

F1314 ..... ]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F1312S. 440B** inserted (with effect in accordance with [Sch. 8 para. 57\(1\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 28\(1\)](#) (with [Sch. 8 para. 55\(2\)](#))
- F1313** Words in s. 440B title substituted (1.4.2009 with effect in accordance with [s. 1329\(1\)](#) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 138\(5\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F1314S. 440B** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 38](#) (with [Sch. 17](#))

[<sup>F1315</sup> **440C Modifications for change of tax basis**

F1316 ..... ]

**Textual Amendments**

- F1315S. 440C** inserted (with effect in accordance with [s. 39\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 8 para. 9](#) (with [Sch. 8 Pt. 2](#))
- F1316S. 440C** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 39](#) (with [Sch. 17](#))

[<sup>F1317</sup> **440D Modifications in relation to BLAGAB group reinsurers**

F1318 ..... ]

**Textual Amendments**

- F1317S. 440D** inserted (27.12.2007 with effect in accordance with [art. 1\(2\)](#) of the amending S.I.) by [The Insurance Companies \(Taxation of Reinsurance Business\) \(Corporation Tax Acts\) \(Amendment\) Order 2007 \(S.I. 2007/3430\)](#), [art. 3\(2\)](#)
- F1318S. 440D** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 40](#) (with [Sch. 17](#))

**441 Overseas life assurance business.**

F1319 ..... ]

**Textual Amendments**

- F1319S. 441** repealed (with effect in accordance with [s. 38\(2\)](#) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 7 para. 34](#), [Sch. 27 Pt. 2\(7\)](#), Note (with [Sch. 7 Pt. 2](#))

[<sup>F1320</sup> **441A Section 441: distributions.**

- (1) <sup>F1321</sup> .....
- (2) <sup>F1322</sup> .....
- [<sup>F1323</sup> (3) <sup>F1322</sup> .....

*Status: Point in time view as at 19/07/2013.*

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- (4) <sup>F1322</sup> .....
- (5) <sup>F1322</sup> ..... ]
- (7) <sup>F1322</sup> .....
- (8) <sup>F1322</sup> ..... ]

**Textual Amendments**

- F1320**Ss. 441, 441A substituted for s. 441 by [Finance Act 1990 \(c. 29\)](#), [Sch. 7 paras. 3, 10](#)
- F1321**S. 441A(1) repealed (with effect in accordance with [Sch. 3 para. 9\(4\)](#) of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 3 para. 9\(2\)](#), [Sch. 8 Pt. 2\(6\)](#), Note
- F1322**S. 441A(2)-(8) repealed (with effect in accordance with [Sch. 4 para. 28\(2\)](#), [Sch. 8 Pt. 2\(10\)](#) Note of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 4 para. 28\(1\)](#), [Sch. 8 Pt. 2\(10\)](#)
- F1323**S. 441A(3)-(5) substituted for s. 441A(3)-(6) (with effect in accordance with [Sch. 8 para. 57\(1\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 31](#) (with [Sch. 8 para. 55\(2\)](#))

[<sup>F1324</sup> **441B** Treatment of UK land.

- <sup>F1325</sup> .....

**Textual Amendments**

- F1324**S. 441B inserted (with effect in accordance with [Sch. 8 para. 57\(1\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 32](#) (with [Sch. 8 para. 55\(2\)](#))
- F1325**S. 441B repealed (13.8.2007 with effect in accordance with [reg. 1\(2\)](#) of the repealing S.I.) by [The Insurance Companies \(Overseas Life Assurance Business\) \(Excluded Business\) \(Amendment\) Regulations 2007 \(S.I. 2007/2086\)](#), [regs. 1\(1\)](#), [6\(2\)\(a\)](#)

**442 Overseas business of U.K. companies.**

- <sup>F1326</sup> .....

**Textual Amendments**

- F1326**S. 442 omitted (with effect in accordance with [s. 148\(1\)](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 41](#) (with [Sch. 17](#))

[<sup>F1327</sup> **442A** Taxation of investment return where risk reinsured.

- <sup>F1328</sup> .....

**Textual Amendments**

- F1327**S. 442A inserted (with effect in accordance with [Sch. 8 para. 57\(1\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 8 para. 34](#) (with [Sch. 8 paras. 55\(2\)](#), [57\(2\)](#))
- F1328**S. 442A omitted (with effect in accordance with [s. 148\(1\)](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 42](#) (with [Sch. 17](#))

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#### **443 Life policies carrying rights not in money.**

F1329 .....

##### **Textual Amendments**

**F1329S. 443** repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 10 para. 16\(3\)\(d\)](#), [Sch. 27 Pt. 2\(10\)](#),  
 Note

#### **444 Life policies issued before 5th August 1965.**

F1330 .....

##### **Textual Amendments**

**F1330S. 444** repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 10 para. 16\(3\)\(e\)](#), [Sch. 27 Pt. 2\(10\)](#),  
 Note

#### **[<sup>F1331</sup>444A Transfers of business.**

F1332 ..... ]

##### **Textual Amendments**

**F1331S. 444A** inserted (with effect in accordance with [Sch. 9 para. 7](#) of the amending Act) by [Finance Act 1990 \(c. 29\)](#), [Sch. 9 para. 4](#)  
**F1332Ss. 444A-444AED** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

#### **[<sup>F1333</sup>444AZA Transfers of life assurance business: [<sup>F1334</sup>gross roll-up business] losses of the transferor**

F1335 .....

##### **Textual Amendments**

**F1333Ss. 444AZA, 444AZB** inserted (19.2.2008 with effect in accordance with art. 1(5) of the amending S.I.) by [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), [art. 9](#)  
**F1334** Words in s. 444AZA title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 142\(5\)](#) (with [Sch. 2 Pts. 1, 2](#))  
**F1335Ss. 444A-444AED** omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

#### **444AZB Transfers of life assurance business: [<sup>F1336</sup>trade] losses of the transferor**

F1337 ..... ]



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**Textual Amendments**

- F1333** Ss. 444AZA, 444AZB inserted (19.2.2008 with effect in accordance with art. 1(5) of the amending S.I.) by [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), **art. 9**
- F1336** Word in s. 444AZB title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), **Sch. 1 para. 143(5)** (with Sch. 2 Pts. 1, 2)
- F1337** Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 43** (with Sch. 17)

[<sup>F1338</sup> **444AA Transfers of business: deemed periodical returns**

F1339 ..... ]

**Textual Amendments**

- F1338** S. 444AA inserted (with effect in accordance with [Sch. 33 para. 18\(2\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), **Sch. 33 para. 18(1)**
- F1339** Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 43** (with Sch. 17)

[<sup>F1340</sup> ~~444AB~~ <sup>F1341</sup> **Transfer schemes: transferor**]

F1342 ..... ]

**Textual Amendments**

- F1340** S. 444AB inserted (with effect in accordance with [Sch. 33 para. 19\(2\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), **Sch. 33 para. 19(1)**
- F1341** S. 444AB heading substituted (19.2.2008 with effect in accordance with art. 1(4) of the amending S.I.) by virtue of [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), **arts. 1(1), 11(6)**
- F1342** Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 43** (with Sch. 17) (subject to amendments to s. 444AB by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), **Sch. 18 para. 58(6)**; S.I. 2013/423, art. 3, **Sch.**)

[<sup>F1343</sup> ~~444ABA~~ <sup>F1344</sup> **Non long-term fund transferred assets**]

F1345 ..... ]

**Textual Amendments**

- F1343** S. 444ABA inserted (with effect in accordance with [Sch. 7 para. 3\(2\)](#) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), **Sch. 7 para. 3(1)**
- F1344** S. 444ABA heading substituted (with effect in accordance with s. 15(11) of the amending Act) by [Finance \(No. 3\) Act 2010 \(c. 33\)](#), **s. 15(9)**
- F1345** Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 43** (with Sch. 17)

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[<sup>F1346</sup> **444ABAA profit fund transferred assets**

F1347 ..... ]

**Textual Amendments**

**F1346**S. 444ABAA inserted (with effect in accordance with s. 15(11) of the amending Act) by Finance (No. 3) Act 2010 (c. 33), s. 15(10)

**F1347**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 16 para. 43 (with Sch. 17)

[<sup>F1348</sup> **444ABBAined assets**

F1349 ..... ]

**Textual Amendments**

**F1348**Ss. 444AB-444ABC substituted for ss. 444AB, 444ABA (with effect in accordance with Sch. 9 para. 17(2) of the amending Act) by Finance Act 2007 (c. 11), Sch. 9 para. 4(1); S.I. 2008/379, art. 2

**F1349**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 16 para. 43 (with Sch. 17)

[<sup>F1350</sup> **444ABBAfers of business: election for transferee to pay tax of transferor**

F1351 ..... ]

**Textual Amendments**

**F1350**S. 444ABBA inserted (19.2.2008 with effect in accordance with art. 1(4) of the amending S.I.) by The Insurance Business Transfer Schemes (Amendment of the Corporation Tax Acts) Order 2008 (S.I. 2008/381), art. 14

**F1351**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 16 para. 43 (with Sch. 17)

[<sup>F1352</sup> **444ABGnsfer scheme transferring part of business: transferor**

F1353 ..... ]

**Textual Amendments**

**F1352**Ss. 444AB-444ABC substituted for ss. 444AB, 444ABA (with effect in accordance with Sch. 9 para. 17(2) of the amending Act) by Finance Act 2007 (c. 11), Sch. 9 para. 4(1); S.I. 2008/379, art. 2

**F1353**S. 444ABC omitted (19.2.2008 with effect in accordance with art. 1(4) of the repealing S.I.) by virtue of The Insurance Business Transfer Schemes (Amendment of the Corporation Tax Acts) Order 2008 (S.I. 2008/381), arts. 1(1), 15

[<sup>F1354</sup> **444ABDnsferor's period of account including transfer**

F1355 ..... ]

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**Textual Amendments**

- F1354**S. 444ABD inserted (with effect in accordance with [Sch. 9 para. 17\(4\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 5](#)
- F1355**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

[<sup>F1356</sup>~~444AC~~<sup>F1357</sup> **Transfer schemes: reduction of income of transferee**]

<sup>F1358</sup> .....

**Textual Amendments**

- F1356**Ss. 444AC-444AE inserted (with effect in accordance with [Sch. 33 para. 20\(3\)\(4\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 33 para. 20\(1\)](#)
- F1357**S. 444AC heading substituted (19.2.2008 with effect in accordance with art. 1(4) of the amending S.I.) by virtue of [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), [arts. 1\(1\)](#), 17(8)
- F1358**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

[<sup>F1359</sup>~~444ACZA~~ **Transfer schemes transferring part of business: reduction in income of transferee**]

<sup>F1360</sup> .....

**Textual Amendments**

- F1356**Ss. 444AC-444AE inserted (with effect in accordance with [Sch. 33 para. 20\(3\)\(4\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 33 para. 20\(1\)](#)
- F1359**Ss. 444AC, 444ACZA substituted for s. 444AC (with effect in accordance with [Sch. 9 para. 17\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 6\(1\)](#); [S.I. 2008/379](#), [art. 2](#)
- F1360**S. 444ACZA omitted (19.2.2008 with effect in accordance with art. 1(4) of the repealing S.I.) by virtue of [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), [arts. 1\(1\)](#), 18

[<sup>F1361</sup>~~444ACA~~ **Transfers of business: transferor shares are assets of transferee's long-term insurance fund etc**]

<sup>F1362</sup> .....

**Textual Amendments**

- F1356**Ss. 444AC-444AE inserted (with effect in accordance with [Sch. 33 para. 20\(3\)\(4\)](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 33 para. 20\(1\)](#)
- F1361**S. 444ACA inserted (with effect in accordance with [Sch. 9 para. 8\(2\)](#) of the amending Act) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), [Sch. 9 para. 8\(1\)](#)
- F1362**S. 444ACA repealed (with effect in accordance with [Sch. 10 para. 17\(2\)](#) of the repealing Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 10 para. 2\(2\)](#), [Sch. 27 Pt. 2\(10\)](#), Note

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#### 444AD Transfers of business: modification of s.83(2B) FA 1989

F1363 .....

##### Textual Amendments

**F1356**Ss. 444AC-444AE inserted (with effect in accordance with Sch. 33 para. 20(3)(4) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 33 para. 20(1)**

**F1363**S. 444AD repealed (with effect in accordance with Sch. 9 para. 17(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 9 para. 7(1), **Sch. 27 Pt. 2(9)**, Note; S.I. 2008/379, **art. 2**

#### 444AE Transfers of business: FAFTS

F1364 ..... ]

##### Textual Amendments

**F1356**Ss. 444AC-444AE inserted (with effect in accordance with Sch. 33 para. 20(3)(4) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 33 para. 20(1)**

**F1364**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 43** (with Sch. 17)

#### [<sup>F1365</sup>444AEA Transfer schemes: anti-avoidance rule

F1366 .....

##### Textual Amendments

**F1365**Ss. 444AEA-444AED inserted (with effect in accordance with Sch. 9 para. 17(2) of the amending Act) by Finance Act 2007 (c. 11), **Sch. 9 para. 8(1)**; S.I. 2008/379, **art. 2**

**F1366**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 43** (with Sch. 17)

#### 444AEB[<sup>F1367</sup>Life assurance trade profits] advantage: transferor

F1368 .....

##### Textual Amendments

**F1365**Ss. 444AEA-444AED inserted (with effect in accordance with Sch. 9 para. 17(2) of the amending Act) by Finance Act 2007 (c. 11), **Sch. 9 para. 8(1)**; S.I. 2008/379, **art. 2**

**F1367**Words in s. 444AEB title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 146(5)** (with Sch. 2 Pts. 1, 2)

**F1368**Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 43** (with Sch. 17)

#### 444AEC[<sup>F1369</sup>Life assurance trade profits] advantage: transferee

F1370 .....

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**Textual Amendments**

- F1365**Ss. 444AEA-444AED inserted (with effect in accordance with [Sch. 9 para. 17\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 8\(1\)](#); S.I. 2008/379, [art. 2](#)
- F1369**Words in s. 444AEC title substituted (1.4.2009 with effect in accordance with [s. 1329\(1\)](#) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 147\(5\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F1370**Ss. 444A-444AED omitted (with effect in accordance with [s. 148\(1\)](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

**Parts of transfer scheme arrangements: anti-avoidance rule**  
F1371 444AECA  
F1372

**Textual Amendments**

- F1365**Ss. 444AEA-444AED inserted (with effect in accordance with [Sch. 9 para. 17\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 8\(1\)](#); S.I. 2008/379, [art. 2](#)
- F1371**Ss. 444AECA-444AECC inserted (19.2.2008 with effect in accordance with [art. 1\(4\)](#) of the amending S.I.) by [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), [art. 22](#)
- F1372**Ss. 444A-444AED omitted (with effect in accordance with [s. 148\(1\)](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

**444AECB Parts of transfer scheme arrangements: [F1373 life assurance trade profits] advantage transferor**

F1374

**Textual Amendments**

- F1365**Ss. 444AEA-444AED inserted (with effect in accordance with [Sch. 9 para. 17\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 8\(1\)](#); S.I. 2008/379, [art. 2](#)
- F1371**Ss. 444AECA-444AECC inserted (19.2.2008 with effect in accordance with [art. 1\(4\)](#) of the amending S.I.) by [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), [art. 22](#)
- F1373**Words in s. 444AECB title substituted (1.4.2009 with effect in accordance with [s. 1329\(1\)](#) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 149\(7\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F1374**Ss. 444A-444AED omitted (with effect in accordance with [s. 148\(1\)](#) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 16 para. 43](#) (with [Sch. 17](#))

**444AECF Parts of transfer scheme arrangements: [F1375 life assurance trade profits] advantage transferee**

F1376

**Textual Amendments**

- F1365**Ss. 444AEA-444AED inserted (with effect in accordance with [Sch. 9 para. 17\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [Sch. 9 para. 8\(1\)](#); S.I. 2008/379, [art. 2](#)

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- F1371** Ss. 444AECA-444AECC inserted (19.2.2008 with effect in accordance with art. 1(4) of the amending S.I.) by [The Insurance Business Transfer Schemes \(Amendment of the Corporation Tax Acts\) Order 2008 \(S.I. 2008/381\)](#), **art. 22**
- F1375** Words in s. 444AECC title substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), **Sch. 1 para. 150(6)** (with [Sch. 2 Pts. 1, 2](#))
- F1376** Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 43** (with [Sch. 17](#))

#### 444AED Clearance: no avoidance or group advantage

**F1377** ..... ]

##### Textual Amendments

- F1365** Ss. 444AEA-444AED inserted (with effect in accordance with [Sch. 9 para. 17\(2\)](#) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), **Sch. 9 para. 8(1)**; S.I. 2008/379, **art. 2**
- F1377** Ss. 444A-444AED omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 43** (with [Sch. 17](#))

*[<sup>F1378</sup> Surpluses of mutual and former mutual businesses*

##### Textual Amendments

- F1378** Ss. 444AF-444AL and preceding cross-heading inserted (with effect in accordance with [Sch. 11 para. 5\(2\)-\(14\)](#) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), **Sch. 11 para. 5(1)**

#### 444AF Demutualisation surplus: life assurance business

**F1379** .....

##### Textual Amendments

- F1379** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

#### 444AG Section 444AF: “demutualisation transfer surplus”

**F1380** .....

##### Textual Amendments

- F1380** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

#### 444AH Modification of section 444AG etc for [<sup>F1381</sup> gross roll-up] businesses

**F1382** .....

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**Textual Amendments**

- F1381** Words in s. 444AH heading substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), **Sch. 1 para. 153** (with [Sch. 2 Pts. 1, 2](#))
- F1382** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

**444AI Section 444AF: “reduction in company's unappropriated surplus”**

**F1383** . . . . .

**Textual Amendments**

- F1383** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

**444AJ Sections 444AF and 444AK: “relevant receipts reduction”**

**F1384** . . . . .

**Textual Amendments**

- F1384** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

**444AK [<sup>F1385</sup>Mutual surplus: gross roll-up business]**

**F1386** . . . . .

**Textual Amendments**

- F1385** S. 444AK heading substituted (with effect in accordance with s. 38(2) of the amending Act) by virtue of [Finance Act 2007 \(c. 11\)](#), **Sch. 7 para. 38(5)** (with [Sch. 7 Pt. 2](#))
- F1386** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

**444AL Interpretation of sections 444AF to 444AK**

**F1387** . . . . . ]

**Textual Amendments**

- F1387** Ss. 444AF-444AL omitted (with effect in accordance with s. 148(1) of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), **Sch. 16 para. 44** (with [Sch. 17](#))

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*[<sup>F1388</sup> Provisions applying in relation to overseas life insurance companies*

**Textual Amendments**

**F1388S. 444B** and cross heading inserted (27.7.1993) by [1993 c.34, s. 97\(1\)](#)

**<sup>F1389</sup> 444B Modification of Act in relation to overseas life insurance companies.**

<sup>F1390</sup> .....

**Textual Amendments**

**F1389S. 444B** and cross heading inserted (27.7.1993) by [1993 c. 34, s. 97\(1\)](#)

**F1390S. 444B** repealed (31.12.2006 with effect in accordance with reg. 1 of the repealing S.I.) by [The Overseas Life Insurance Companies Regulations 2006 \(S.I. 2006/3271\)](#), reg. 43(1), **Sch. Pt. 1**

*[<sup>F1391</sup> Equalisation reserves*

**Textual Amendments**

**F1391Ss. 444BA-444BD** and preceding cross-heading inserted (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), s. 166, **Sch. 32 para. 1**

**444BA Equalisation reserves for general business.**

<sup>F1392</sup> .....

**Textual Amendments**

**F1392Ss. 444BA-444BD** repealed (with effect in accordance with s. 26(3)-(9) of the repealing Act) by [Finance Act 2012 \(c. 14\)](#), **s. 26(1)**; S.I. 2015/1999, **art. 2**

**444BB Modification of s. 444BA for mutual or overseas business and for non-resident companies.**

<sup>F1393</sup> .....

**Textual Amendments**

**F1393Ss. 444BA-444BD** repealed (with effect in accordance with s. 26(3)-(9) of the repealing Act) by [Finance Act 2012 \(c. 14\)](#), **s. 26(1)**; S.I. 2015/1999, **art. 2**

**444BC Modification of s. 444BA for non-annual accounting etc.**

<sup>F1394</sup> .....



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**Textual Amendments**

**F1394**Ss. 444BA-444BD repealed (with effect in accordance with s. 26(3)-(9) of the repealing Act) by Finance Act 2012 (c. 14), s. 26(1); S.I. 2015/1999, art. 2

**444BD Application of s. 444BA rules to other equalisation reserves.**

**F1395** .....

**Textual Amendments**

**F1395**Ss. 444BA-444BD repealed (with effect in accordance with s. 26(3)-(9) of the repealing Act) by Finance Act 2012 (c. 14), s. 26(1); S.I. 2015/1999, art. 2

**444C Modification of section 440.**

**F1396** .....

**Textual Amendments**

**F1396**Ss. 444C-444E repealed (with effect in accordance with Sch. 8 paras. 55, 57(1) of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(5), Notes 1, 2

**444D Qualifying distributions, tax credits, etc.**

**F1397** .....

**Textual Amendments**

**F1397**Ss. 444C-444E repealed (with effect in accordance with Sch. 8 paras. 55, 57(1) of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(5), Notes 1, 2

**444E Income from investments attributable to BLAGAB, etc.**

**F1398** ..... ]

**Textual Amendments**

**F1398**Ss. 444C-444E repealed (with effect in accordance with Sch. 8 paras. 55, 57(1) of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(5), Notes 1, 2

*Provisions applying only to overseas life insurance companies*

**F1399** **445** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1399S. 445** repealed (27.7.1993 with effect as mentioned in s. 103(3)(4) of the amending Act) by 1993 c. 34, ss. 103(2)(a)(3)(4), 213, **Sch. 23 Pt. III(9)**, note

**446 Annuity business.**

- F1400(1) .....
- F1401(2) .....
- F1401(3) .....
- F1402(4) .....

**Textual Amendments**

**F1400S. 446(1)** repealed (27.7.1993 with effect as mentioned in s. 103(3)(4) of the amending Act) by 1993 c. 34, ss. 103(2)(b)(3)(4), 213, **Sch. 23 Pt. III(9)**, note

**F1401S. 446(2)(3)** repealed (for accounting periods beginning on or after 1.1.1992) by Finance Act 1991 (c. 31, SIF 63:1), ss. 48, 123, Sch. 7 para. 7(1)(b), **Sch. 19 Pt. V**, Note 3

**F1402S. 446(4)** repealed by Finance Act 1990 (c. 29, SIF 63:1), s. 132, **Sch. 19 Pt. IV**.

- 447**
- F1403(1) .....
  - F1403(2) .....
  - F1404(3) .....
  - F1403(4) .....

**Textual Amendments**

**F1403S. 447(1)(2)** and (4) repealed (27.7.1993 with effect as mentioned in s. 103(3)(4) of the amending Act) by 1993 c. 34, ss. 103(2)(c)(3)(4), 213, **Sch. 23 Pt. III(9)**, note

**F1404S. 447(3)** repealed (for accounting periods beginning on or after 1.1.1992) by Finance Act 1991 (c. 31, SIF 63:1), ss. 48, 123, Sch. 7 paras. 7(3), 18, **Sch. 19 Pt. V**, Note 3

- F1405 **448** .....

**Textual Amendments**

**F1405S. 448** repealed (27.7.1993 with effect as mentioned in s. 103(3)(4) of the amending Act) by 1993 c. 34, ss. 103(2)(d), 213, Sch. 23 Pt. III (9), note

- F1406 **449** .....

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**Textual Amendments**

**F1406**S. 449 repealed (27.7.1993 with effect as mentioned in s. 103(3)(4) of the amending Act) by 1993 c. 34, ss. 103(2)(e), 213, Sch. 23 Pt. III (9), note

*Underwriters*

**F1407** 450 .....

**Textual Amendments**

**F1407**Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12) notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, Sch. 23 Pt. III (12), notes 1 and 5

**F1408** 451 .....

**Textual Amendments**

**F1408**Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the repealing Act) by 1993 c. 34, s. 213, Sch. 23 Pt. III (12), notes. 1 and 5

**F1409** 452 .....

**Textual Amendments**

**F1409**SS. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, Sch. 23 Pt. III (12), notes 1 and 5

**F1410** 453 .....

**Textual Amendments**

**F1410**Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, Sch. 23, Pt. III (12), notes 1 and 5

**F1411** 454 .....

**Textual Amendments**

**F1411** Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, Sch. 23 Pt. III (12), notes 1 and 5

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**F1412 455** .....

**Textual Amendments**  
**F1412**Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, **Sch. 23 Pt. III** (12), notes 1 and 5

**F1413 456** .....

**Textual Amendments**  
**F1413**Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, **Sch. 23 Pt. III** (12), notes 1 and 5

**F1414 457** .....

**Textual Amendments**  
**F1414**Ss. 450-457 repealed (27.7.1993 with effect as mentioned in Sch. 23 Pt. III (12), notes 1 and 5 of the amending Act) by 1993 c. 34, s. 213, **Sch. 23 Pt. III** (12), notes 1 and 5

*Capital redemption business*

**458 Capital redemption business.**

**F1415** .....

**Textual Amendments**  
**F1415**Ss. 458, 458A repealed (with effect in accordance with s. 38(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 7 para. 39, **Sch. 27 Pt. 2(7)**, Note (with Sch. 7 Pt. 2)

**[<sup>F1416</sup> 458 Capital redemption business: power to apply life assurance provisions.**

**F1417** .....

**Textual Amendments**  
**F1416**S. 458A inserted (29.4.1996) by Finance Act 1996 (c. 8), s. 168(3)  
**F1417**Ss. 458, 458A repealed (with effect in accordance with s. 38(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 7 para. 39, **Sch. 27 Pt. 2(7)**, Note (with Sch. 7 Pt. 2)

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## CHAPTER II

### FRIENDLY SOCIETIES, TRADE UNIONS AND EMPLOYERS' ASSOCIATIONS

#### *Unregistered friendly societies*

#### **459 Exemption from tax.**

F1418  
.....

##### **Textual Amendments**

**F1418S. 459** omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 18 para. 2](#)

#### *Registered friendly societies*

#### **460 Exemption from tax in respect of life or endowment business.**

F1419  
.....

##### **Textual Amendments**

**F1419S. 460** omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 18 para. 3](#)

#### **461 Taxation in respect of other business.**

F1420  
.....

##### **Textual Amendments**

**F1420S. 461** omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 18 para. 4](#)

#### **[<sup>F1421</sup>461 Taxation in respect of other business: incorporated friendly societies qualifying for exemption.**

F1422  
..... ]

##### **Textual Amendments**

**F1421Ss. 461A-461C** inserted (19.2.1993) by [Finance \(No. 2\) Act 1992 \(c. 48\)](#), s. 56, [Sch. 9 para.7](#); S.I. 1993/236, [art.2](#)

**F1422Ss. 461A-461C** omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 18 para. 5](#)

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**F1423 461B Taxation in respect of other business: incorporated friendly societies etc.**

F1424 .....

**Textual Amendments**

**F1423**Ss. 461A-461C inserted (19.2.1993) by Finance (No. 2) Act 1992 (c. 48), s. 56, **Sch. 9 para.7**; S.I. 1993/236, **art. 2**

**F1424**Ss. 461A-461C omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 18 para. 5**

**F1425 461C Taxation in respect of other business: withdrawal of “qualifying” status from incorporated friendly society.**

F1426 .....

**Textual Amendments**

**F1425**Ss. 461A-461C inserted (19.2.1993) by Finance (No. 2) Act 1992 (c. 48), s. 56, **Sch. 9 para.7**; S.I. 1993/236, **art. 2**

**F1426**Ss. 461A-461C omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 18 para. 5**

**[F1427 461D Transfers of other business**

F1428 .....]

**Textual Amendments**

**F1427**S. 461D inserted (with effect in accordance with **Sch. 18 para. 3(2)** of the amending Act) by Finance Act 2008 (c. 9), **Sch. 18 para. 3(1)**

**F1428**S. 461D omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 18 para. 6**

**462 Conditions for tax exempt business.**

F1429 .....

**Textual Amendments**

**F1429**S. 462 omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 18 para. 7**

**[F1430 462E Election as to tax exempt business.**

F1431 .....]

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

- F1430S. 462A inserted by Finance Act 1991 (c. 31, SIF 63:1), s. 50, Sch. 9 para. 2
- F1431S. 462A omitted (21.7.2008) by virtue of Finance Act 2008 (c. 9), Sch. 18 para. 5(1)(b)

**463** [<sup>F1432</sup>Long-term] business: application of the Corporation Tax Acts.

F1433 . . . . .

**Textual Amendments**

- F1432 Words in s. 463 heading substituted (21.7.2008) by Finance Act 2008 (c. 9), Sch. 18 para. 4
- F1433S. 463 omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 18 para. 8

**464** Maximum benefits payable to members.

F1434 . . . . .

**Textual Amendments**

- F1434S. 464 omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 18 para. 9

**465** Old societies.

F1435 . . . . .

**Textual Amendments**

- F1435S. 465 omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 18 para. 10

[<sup>F1436</sup>465A Assets of branch of registered friendly society to be treated as assets of society after incorporation.

F1437 . . . . .]

**Textual Amendments**

- F1436S. 465A inserted (19.12.1993) by Finance (No. 2) Act 1992 (c. 48), s. 56, Sch. 9 para.13, 22; S.I. 1993/236, art.2
- F1437S. 465A omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 18 para. 11

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

## 466 Interpretation of Chapter II.

F1438

### Textual Amendments

**F1438S. 466** omitted (with effect in accordance with s. 178 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 18 para. 12](#)

*Trade unions and employers' associations*

## 467 Exemption for trade unions and employers' associations.

F1439

### Textual Amendments

**F1439S. 467** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 52](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## CHAPTER III

### UNIT TRUST SCHEMES, DEALERS IN SECURITIES ETC.

*Unit trust schemes*

## 468 Authorised unit trusts.

F1440

### Textual Amendments

**F1440S. 468** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 53](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## [<sup>F1441</sup>468AA Authorised unit trusts: futures and options.

F1442

### Textual Amendments

**F1441S. 468AA** inserted by [Finance Act 1990 \(c. 29\)](#), [s. 81\(1\)\(5\)](#)

**F1442S. 468AA** repealed (with effect in accordance with s. 83(3) of the repealing Act) by [Finance Act 2002 \(c. 23\)](#), [Sch. 27 para. 6](#), [Sch. 40 Pt. 3\(13\)](#), Note (with [Sch. 28](#))



*Status: Point in time view as at 19/07/2013.*

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[<sup>F1443</sup>**468A**Certified unit trusts.

F1444 ..... ]

**Textual Amendments**

F1443Ss. 468A-468C inserted by Finance Act 1989 (c. 26), s. 78

F1444Ss. 468A-468D repealed by Finance Act 1990 (c. 29), s. 52, Sch. 19 Pt. 4, Note 7

[<sup>F1445</sup>**468B**Open-ended investment companies

F1446 ..... ]

**Textual Amendments**

F1445S. 468A inserted (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), s. 16

F1446S. 468A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 54, Sch. 3 Pt. 1 (with Sch. 2)

<sup>F1447</sup>**468C**Certified unit trusts: corporation tax.

F1448 ..... ]

**Textual Amendments**

F1447Ss. 468A-468C inserted by Finance Act 1989 (c. 26), s. 78

F1448Ss. 468A-468D repealed by Finance Act 1990 (c. 29), s. 52, Sch. 19 Pt. 4, Note 7

<sup>F1449</sup>**468D**Certified unit trusts: distributions.

F1450 ..... ]

**Textual Amendments**

F1449Ss. 468A-468C inserted by Finance Act 1989 (c. 26), s. 78

F1450Ss. 468A-468D repealed by Finance Act 1990 (c. 29), s. 52, Sch. 19 Pt. 4, Note 7

[<sup>F1451</sup>**468E**Funds of funds: distributions.

F1452 ..... ]

**Textual Amendments**

F1451S. 468D inserted by Finance Act 1989 (c. 26), s. 79

F1452Ss. 468A-468D repealed by Finance Act 1990 (c. 29), s. 52, Sch. 19 Pt. 4, Note 7

*Status: Point in time view as at 19/07/2013.*

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**[<sup>F1453</sup>468E] Authorised unit trusts: corporation tax.**

<sup>F1454</sup> .....

**Textual Amendments**  
**F1453**Ss. 468E-468G inserted by Finance Act 1990 (c. 29), s. 51  
**F1454**S. 468E repealed (with effect in accordance with Sch. 6 paras. 10(3), 28 of the repealing Act) by Finance Act 1996 (c. 8), Sch. 41 Pt. 5(1), Note 1

**[<sup>F1455</sup>468EE] Corporation tax: cases where lower rate applies.**

<sup>F1456</sup> .....

**Textual Amendments**  
**F1455**S. 468EE inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 111(2)  
**F1456**S. 468EE repealed (with effect in accordance with Sch. 6 paras. 10(3), 28 of the repealing Act) by Finance Act 1996 (c. 8), Sch. 41 Pt. 5(1), Note 1

**<sup>F1457</sup>468F] Authorised unit trusts: distributions.**

<sup>F1458</sup> .....

**Textual Amendments**  
**F1457**Ss. 468E-468G inserted by Finance Act 1990 (c. 29), s. 51  
**F1458**S. 468F repealed (with effect in accordance with Sch. 14 para. 7 of the repealing Act) by Finance Act 1994 (c. 9), Sch. 14 para. 4, Sch. 26 Pt. 5(13), Note

**<sup>F1459</sup>468G] Dividends paid to investment trusts.**

<sup>F1460</sup> .....

**Textual Amendments**  
**F1459**Ss. 468E-468G inserted by Finance Act 1990 (c. 29), s. 51  
**F1460**S. 468G repealed (with effect in accordance with Sch. 14 para. 7 of the repealing Act) by Finance Act 1994 (c. 9), Sch. 14 para. 4, Sch. 26 Pt. 5(13), Note

*[<sup>F1461</sup> Distributions of authorised unit trusts: general*

**Textual Amendments**  
**F1461**Ss. 468H-468R and cross-headings inserted (with effect in accordance with Sch. 14 para. 7 of the amending Act) by Finance Act 1994 (c. 9), Sch. 14 para. 2

*Status: Point in time view as at 19/07/2013.*

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#### 468H Interpretation.

F1462 .....

##### Textual Amendments

F1462Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, art. 2) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), Sch. 11 Pt. 2(3), Note 2

#### 468I Distribution accounts.

F1463 .....

##### Textual Amendments

F1463Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, art. 2) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), Sch. 11 Pt. 2(3), Note 2

#### *Dividend and foreign income distributions*

#### 468J Dividend distributions.

F1464 .....

##### Textual Amendments

F1464Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, art. 2) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), Sch. 11 Pt. 2(3), Note 2

#### 468K Foreign income distributions.

F1465 .....

##### Textual Amendments

F1465S. 468K repealed (with effect in accordance with s. 36, Sch. 6 para. 8(9) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 8(4), Sch. 8 Pt. 2(11)

#### *Interest distributions*

#### 468L Interest distributions.

F1466 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1466**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, **art. 2**) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), **Sch. 11 Pt. 2(3)**, Note 2

[<sup>F1467</sup> **468M** Cases where no obligation to deduct tax

<sup>F1468</sup> . . . . . ]

**Textual Amendments**

**F1467**S. 468M substituted for ss. 468M, 468N (with effect in accordance with s. 203(14) of the amending Act) by Finance Act 2003 (c. 14), **s. 203(3)**

**F1468**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, **art. 2**) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), **Sch. 11 Pt. 2(3)**, Note 2

**468O** Residence condition [<sup>F1469</sup> and reputable intermediary condition].

<sup>F1470</sup> . . . . .

**Textual Amendments**

**F1469**Words in s. 468O sidenote inserted (with effect in accordance with s. 203(14) of the amending Act) by Finance Act 2003 (c. 14), **s. 203(7)**

**F1470**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, **art. 2**) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), **Sch. 11 Pt. 2(3)**, Note 2

**468P** Residence declarations.

<sup>F1471</sup> . . . . .

**Textual Amendments**

**F1471**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, **art. 2**) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), **Sch. 11 Pt. 2(3)**, Note 2

[<sup>F1472</sup> **Section 468O(1A): consequences of reasonable but incorrect belief**

<sup>F1473</sup> **468PA** . . . . .

**Textual Amendments**

**F1472**Ss. 468PA, 468PB inserted (with effect in accordance with s. 203(14) of the amending Act) by Finance Act 2003 (c. 14), **s. 203(9)**

**F1473**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, **art. 2**) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), **Sch. 11 Pt. 2(3)**, Note 2

*Status: Point in time view as at 19/07/2013.*

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## 468PB Regulations supplementing sections 468M to 468PA

F1474 ..... ]

### Textual Amendments

**F1472**Ss. 468PA, 468PB inserted (with effect in accordance with s. 203(14) of the amending Act) by Finance Act 2003 (c. 14), s. 203(9)

**F1474**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, art. 2) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), Sch. 11 Pt. 2(3), Note 2

*Distributions to corporate unit holder*

## 468Q Dividend distribution to corporate unit holder.

F1475 .....

### Textual Amendments

**F1475**Ss. 468H-468Q repealed (in force in accordance with S.I. 2006/982, art. 2) by Finance (No. 2) Act 2005 (c. 22), ss. 17(1)(a), 19(1), Sch. 11 Pt. 2(3), Note 2

## 468R Foreign income distribution to corporate unit holder.

F1476 .....

### Textual Amendments

**F1476**S. 468R repealed (with effect in accordance with s. 36, Sch. 6 para. 8(9) of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), Sch. 6 para. 8(7), Sch. 8 Pt. 2(11), Note

## 469 Other unit trusts.

F1477 .....

### Textual Amendments

**F1477**S. 469 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 55, Sch. 3 Pt. 1 (with Sch. 2)

## [ Court common investment funds.

<sup>F1478</sup>469A <sup>F1479</sup>..... ]

### Textual Amendments

**F1478**S. 469A inserted (with effect in accordance with s. 68(3)-(5) of the amending Act) by Finance Act 1999 (c. 16), s. 68(1)

*Status: Point in time view as at 19/07/2013.*

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**F1479S. 469A** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 56, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### 470 Transitional provisions relating to unit trusts.

- (1) <sup>F1480</sup> .....
- <sup>F1481</sup> (2) .....
- (3) <sup>F1480</sup> .....

##### Textual Amendments

**F1480S. 470(1)(3)** repealed (31.7.1998) by [Finance Act 1998 \(c. 36\), Sch. 27 Pt. 3\(23\)](#)

**F1481S. 470(2)** ceased to have effect (29.4.1988) by virtue of s. 470(3) below and [S.I. 1988/745, art. 2](#)

*Dealers in securities, banks and insurance businesses*

#### 471 Exchange of securities in connection with conversion operations, nationalisation etc.

- <sup>F1482</sup> .....

##### Textual Amendments

**F1482S. 471** repealed (with effect in accordance with s. 101(3) of the repealing Act) by [Finance Act 1998 \(c. 36\), s. 101\(1\), Sch. 27 Pt. 3\(23\)](#), Note 1

#### 472 Distribution of securities issued in connection with nationalisation etc.

- <sup>F1483</sup> .....

##### Textual Amendments

**F1483S. 472** repealed (with effect in accordance with s. 101(4) of the repealing Act) by [Finance Act 1998 \(c. 36\), s. 101\(2\), Sch. 27 Pt. 3\(23\)](#), Note 2

#### [ <sup>F1484</sup> **472A** <sup>F1485</sup> Trading profits etc. from securities: taxation of amounts taken to reserves ]

##### Textual Amendments

**F1484S. 472A** inserted (with effect in accordance with s. 54(2) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 54](#) (as amended (retrospectively) by [Finance Act 2005 \(c.7\), Sch. 4 para. 50, Sch. 11 Pt. 2\(7\)](#))

**F1485S. 472A** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 158, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

*Status: Point in time view as at 19/07/2013.*

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**473 Conversion etc. of securities held as circulating capital.**

F1486 .....

**Textual Amendments**

**F1486S. 473** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 159, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**474 Treatment of tax-free income.**

(1) F1487 .....

(2) F1488 .....

[ F1487 .....

F1489(3) ]

**Textual Amendments**

**F1487S. 474(1)(3)** repealed (with effect in accordance with Sch. 7 para. 32-35, Sch. 41 Pt. 5(2) Note of the repealing Act) by Finance Act 1996 (c. 8), Sch. 7 para. 18, Sch. 41 Pt. 5(2)

**F1488S. 474(2)** repealed (with effect in accordance with s. 154(9) of the repealing Act) by Finance Act 1996 (c. 8), Sch. 28 para. 2, **Sch. 41 Pt. 5(18)**, Note

**F1489S. 474(3)** inserted (with effect in accordance with Sch. 8 para. 55 of the amending Act) by Finance Act 1995 (c. 4), **Sch. 8 para. 25(2)**

**475 Tax-free Treasury securities: exclusion of interest on borrowed money.**

F1490 .....

**Textual Amendments**

**F1490S. 475** repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 7 para. 41, **Sch. 10 Pt. 12** (with Sch. 9)

**CHAPTER IV**

**BUILDING SOCIETIES, BANKS, SAVINGS BANKS,  
INDUSTRIAL AND PROVIDENT SOCIETIES AND OTHERS**

**476 Building societies: regulations for payment of tax.**

F1491 .....

**Textual Amendments**

**F1491S. 476** repealed by Finance Act 1990 (c. 29), Sch. 5 para. 2, **Sch. 19 Pt. 4**, Note 8

*Status: Point in time view as at 19/07/2013.*

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#### 477 Investments becoming or ceasing to be relevant building society investments.

F1492 .....

##### Textual Amendments

F1492S. 477 repealed by Finance Act 1990 (c. 29), Sch. 5 para. 3, Sch. 19 Pt. 4, Note 8

#### [<sup>F1494</sup>477B Building societies: [<sup>F1493</sup>loan relationships].

F1495 .....

##### Textual Amendments

F1493 Words in s. 477A sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 88(7) (with Sch. 2)

F1494S. 477A inserted (with effect in accordance with Sch. 5 para. 4(2) of the amending Act) by Finance Act 1990 (c. 29), Sch. 5 para. 4(1)

F1495S. 477A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 57, Sch. 3 Pt. 1 (with Sch. 2)

#### [<sup>F1496</sup>477B Building societies: incidental costs of issuing qualifying shares.

F1497 .....

##### Textual Amendments

F1496S. 477B inserted by Finance Act 1991 (c. 31, SIF 63:1), s. 51, Sch. 10 para. 3(1)(2)

F1497S. 477B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 162, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

#### 478 Building societies: time for payment of tax.

F1498 .....

##### Textual Amendments

F1498S. 478 repealed (with effect in accordance with s. 199(2) of the repealing Act) by Finance Act 1994 (c. 9), Sch. 26 Pt. 5(23), Note 4; S.I. 1998/3173, art. 2

#### 479 Interest paid on deposits with banks etc.

F1499 .....

##### Textual Amendments

F1499S. 479 repealed by Finance Act 1990 (c. 29), Sch. 5 para. 5, Sch. 19 Pt. 4, Note 8



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**480 Deposits becoming or ceasing to be composite rate deposits.**

F1500  
.....

**Textual Amendments**

F1500S. 480 repealed by Finance Act 1990 (c. 29), Sch. 5 para. 6, Sch. 19 Pt. 4, Note 8

[<sup>F1501</sup>**480A Relevant deposits: deduction of tax from interest payments.**

F1502  
.....]

**Textual Amendments**

F1501Ss. 480A-480C inserted (with effect in accordance with Sch. 5 para. 7(2) of the amending Act) by Finance Act 1990 (c. 29), Sch. 5 para. 7(1)

F1502Ss. 480A-482 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 89, Sch. 3 Pt. 1 (with Sch. 2)

[<sup>F1503</sup>**480B Relevant deposits: exception from section 480A.**

F1504  
.....]

**Textual Amendments**

F1503Ss. 480A-480C inserted (with effect in accordance with Sch. 5 para. 7(2) of the amending Act) by Finance Act 1990 (c. 29), Sch. 5 para. 7(1)

F1504Ss. 480A-482 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 89, Sch. 3 Pt. 1 (with Sch. 2)

[<sup>F1505</sup>**480C Relevant deposits: computation of tax on interest.**

F1506  
.....]

**Textual Amendments**

F1505Ss. 480A-480C inserted (with effect in accordance with Sch. 5 para. 7(2) of the amending Act) by Finance Act 1990 (c. 29), Sch. 5 para. 7(1)

F1506S. 480C repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 185, Sch. 3 (with Sch. 2)

**481 “Deposit-taker”, “deposit” and “relevant deposit”.**

F1507  
.....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1507**Ss. 480A-482 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 89, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**482 Supplementary provisions.**

**F1508** .....

**Textual Amendments**

**F1508**Ss. 480A-482 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 89, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1509</sup>**482A Audit powers in relation to non-residents.**

**F1510** .....]

**Textual Amendments**

**F1509**S. 482A inserted by [Finance Act 1991 \(c. 31, SIF 63:1\), s.75](#)  
**F1510**S. 482A repealed (with effect in accordance with s. 145(11), Sch. 40 Pt. 5 Note of the repealing Act) by [Finance Act 2000 \(c. 17\), s. 145\(10\), Sch. 40 Pt. 5](#)

**483 Determination of reduced rate for building societies and composite rate for banks etc.**

**F1511**(1) .....

**F1511**(2) .....

**F1511**(3) .....

(4) If the order made under section 26 of the Finance Act 1984 in the year 1987-88 is made in pursuance of subsection (4) of that section, that order shall, notwithstanding that that subsection is not re-enacted by this Act, apply for the purposes of sections 476 and 479 for the year 1988-89.

**F1511**(5) .....

**Textual Amendments**

**F1511**S. 483(1)-(3)(5) repealed by [Finance Act 1990 \(c. 29\), Sch. 5 para. 12, Sch. 19 Part IV](#), Note 8

**484 Savings banks: exemption from tax.**

**F1512** .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1512S.** 484 repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996](#) (c. 8), [Sch. 14 para 29](#), [Sch. 41 Pt. 5\(3\)](#), Note (with Sch. 15)

**485 Savings banks: supplemental.**

F1513  
.....

**Textual Amendments**

**F1513S.** 485 repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996](#) (c. 8), [Sch. 14 para. 29](#), [Sch. 41 Pt. 5\(3\)](#), Note (with Sch. 15)

**486 Industrial and provident societies and co-operative associations.**

F1514  
.....

**Textual Amendments**

**F1514S.** 486 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010](#) (c. 4), [Sch. 1 para. 58](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**487 Credit unions.**

F1515  
.....

**Textual Amendments**

**F1515S.** 487 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009](#) (c. 4), [Sch. 1 para. 164](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**488 Co-operative housing associations.**

F1516  
.....

**Textual Amendments**

**F1516S.** 488 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010](#) (c. 4), [Sch. 1 para. 59](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**489 Self-build societies.**

F1517  
.....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1517S.** 489 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 60, **Sch. 3 Pt. 1** (with Sch. 2)

**490 Companies carrying on a mutual business or not carrying on a business.**

**F1518**  
 .....

**Textual Amendments**

**F1518S.** 490 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 61, **Sch. 3 Pt. 1** (with Sch. 2)

**491 Distribution of assets of body corporate carrying on mutual business.**

**F1519**  
 .....

**Textual Amendments**

**F1519S.** 491 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 165, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**CHAPTER V**

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

**C20** Pt. 12 Ch. 5 modified (27.7.1999) by Finance Act 1999 (c. 16), **s. 98**

*PETROLEUM EXTRACTION ACTIVITIES*

**492 Treatment of oil extraction activities etc. for tax purposes.**

**F1520**  
 .....

**Textual Amendments**

**F1520S.** 492 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 62, **Sch. 3 Pt. 1** (with Sch. 2)

**493 Valuation of oil disposed of or appropriated in certain circumstances.**

**F1521**  
 .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1521**S. 493 repealed (the repeal of s. 493(1)-(6) having effect for specified purposes only) (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 63, Sch. 3 Pts. 1, 2](#) (with [Sch. 2](#)); and s. 493(1)-(6) repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 181, Sch. 10 Pt. 6](#) (with [Sch. 9](#))

**494** [<sup>F1522</sup>**Loan relationships etc.**]

F1523  
.....

**Textual Amendments**

**F1522**S. 494 sidenote substituted (with effect in accordance with s. 38(7)-(13) of the amending Act) by virtue of [Finance \(No. 2\) Act 2005 \(c. 22\), s. 38\(5\)](#)  
**F1523**Ss. 494-494A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 64, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1524</sup>**494A Sale and lease-back.**

F1525  
.....]

**Textual Amendments**

**F1524**S. 494AA inserted (with application in accordance with s. 100(2)(3) of the amending Act) by [Finance Act 1999 \(c. 16\), s. 100\(1\)](#)  
**F1525**Ss. 494-494A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 64, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1526</sup>**494B Computation of amount available for surrender by way of group relief.**

F1527  
.....]

**Textual Amendments**

**F1526**S. 494A inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 5 para. 30](#) (with [Sch. 5 para. 73](#))  
**F1527**Ss. 494-494A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 64, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**495 Regional development grants.**

F1528  
.....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1528S. 495** repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 65, Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and s. 495 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 182, Sch. 10 Pt. 6](#) (with [Sch. 9](#))

**496** [<sup>F1529</sup>**Tariff receipts and tax-exempt tariffing receipts**]

**F1530** .....

**Textual Amendments**

**F1529S. 496** sidenote substituted (with effect in accordance with s. 285(7) of the amending Act) by virtue of [Finance Act 2004 \(c. 12\), Sch. 37 para. 11\(5\)](#)

**F1530S. 496** repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 66, Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and s. 496 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 183, Sch. 10 Pt. 6](#) (with [Sch. 9](#))

[<sup>F1531</sup>**496A** **Exploration expenditure supplement**

Schedule 19B to this Act (exploration expenditure supplement) shall have effect.]

**Textual Amendments**

**F1531S. 496A** inserted (22.7.2004) by [Finance Act 2004 \(c. 12\), s. 286\(2\)](#)

[<sup>F1532</sup>**496B** **Ring fence expenditure supplement**

**F1533** .....]

**Textual Amendments**

**F1532S. 496B** inserted (19.7.2006) by [Finance Act 2006 \(c. 25\), s. 154\(2\)](#)

**F1533S. 496B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 67, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**497** **Restriction on setting ACT against income from oil extraction activities etc.**

**F1534** .....

**Textual Amendments**

**F1534S. 497** repealed (with effect in accordance with [Sch. 3 para. 29\(2\)](#) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 29\(1\), Sch. 27 Pt. 3\(2\)](#), Note

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

#### **498 Limited right to carry back surrendered ACT.**

F1535  
.....

##### **Textual Amendments**

**F1535S. 498** repealed (with effect in accordance with Sch. 3 para. 30(2) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 30\(1\), Sch. 27 Pt. 3\(2\)](#), Note (with Sch. 3 para. 30(3))

#### **499 Surrender of ACT where oil extraction company etc. owned by a consortium.**

F1536  
.....

##### **Textual Amendments**

**F1536S. 499** repealed (with effect in accordance with Sch. 3 para. 31(2) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 31\(1\), Sch. 27 Pt. 3\(2\)](#), Note

#### **500 Deduction of PRT in computing income for corporation tax purposes.**

F1537  
.....

##### **Textual Amendments**

**F1537Ss. 500-501B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 68, Sch. 3 Pt. 1](#) (with Sch. 2)

#### **501 Interest on repayment of PRT.**

F1538  
.....

##### **Textual Amendments**

**F1538Ss. 500-501B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 68, Sch. 3 Pt. 1](#) (with Sch. 2)

#### **[<sup>F1539</sup>501A Supplementary charge in respect of ring fence trades**

F1540  
..... ]

##### **Textual Amendments**

**F1539S. 501A** inserted (24.7.2002) by [Finance Act 2002 \(c. 23\), ss. 91, 93](#)

**F1540Ss. 500-501B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 68, Sch. 3 Pt. 1](#) (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

## [<sup>F1541</sup>501B Assessment, recovery and postponement of supplementary charge

F1542 .....

### Textual Amendments

**F1541S. 501B** inserted (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), **ss. 92(1)**, 93

**F1542Ss. 500-501B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 68](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

## 502 Interpretation of Chapter V.

F1543 .....

### Textual Amendments

**F1543S. 502** repealed (the repeal of s. 502(1)(2) having effect for specified purposes only) (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 69](#), [Sch. 3 Pts. 1, 2](#) (with [Sch. 2](#)); and s. 502(1)(2) repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 184](#), **Sch. 10 Pt. 6** (with [Sch. 9](#))

## [<sup>F1544</sup>CHAPTER 5A

### SPECIAL RULES FOR LONG FUNDING LEASES OF PLANT OR MACHINERY: CORPORATION TAX

### Textual Amendments

**F1544Pt. 12 Ch. 5A** (ss. 502A-502L) inserted (with effect in accordance with [Sch. 8 para. 15](#) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), **Sch. 8 para. 11**

### *Introductory*

## 502A Scope of Chapter 5A

F1545 .....

### Textual Amendments

**F1545Pt. 12 Ch. 5A** (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

### *Lessors under long funding finance leases*

## 502B Lessor under long funding finance lease: rental earnings

F1546 .....



*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1546**[Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**502C Lessor under long funding finance lease: exceptional items**

**F1547** .....

**Textual Amendments**

**F1547**[Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**502D Lessor under long funding finance lease making termination payment**

**F1548** .....

**Textual Amendments**

**F1548**[Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Lessors under long funding operating leases*

**502E Lessor under long funding operating lease: periodic deduction**

**F1549** .....

**Textual Amendments**

**F1549**[Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**502F Long funding operating lease: lessor's additional expenditure**

**F1550** .....

**Textual Amendments**

**F1550**[Pt. 12 Ch. 5A](#) (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**502G Lessor under long funding operating lease: termination of lease**

**F1551** .....

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1551**Pt. 12 Ch. 5A (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*[<sup>F1552</sup> Lessors under long funding finance or operating leases: avoidance etc*

**Textual Amendments**

**F1552**S. 502GA and preceding cross-heading inserted (with effect in accordance with [Sch. 20 para. 9\(5\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 20 para. 9\(2\)](#)

**502GA Cases where ss. 502B to 502G do not apply: plant or machinery held as trading stock**

**F1553** .....

**Textual Amendments**

**F1553**Pt. 12 Ch. 5A (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**[<sup>F1554</sup> 502GB Cases where ss. 502B to 502G do not apply: lessor also lessee under non-long binding lease**

**F1555** ..... ]

**Textual Amendments**

**F1554**S. 502GB inserted (with effect in accordance with [Sch. 20 para. 9\(6\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 20 para. 9\(3\)](#)

**F1555**Pt. 12 Ch. 5A (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**[<sup>F1556</sup> 502GC Cases where ss. 502B to 502G do not apply: other avoidance**

**F1557** ..... ]

**Textual Amendments**

**F1556**S. 502GC inserted (with effect in accordance with [Sch. 20 para. 9\(7\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 20 para. 9\(4\)](#)

**F1557**Pt. 12 Ch. 5A (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

[  
F1558 **Cases where ss 502B to 502G do not apply: films**  
F1559 **502GD** ..... ]]

**Textual Amendments**

**F1558S.** 502GD inserted (with effect in accordance with [Sch. 33 para. 3](#) of the amending Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 33 para. 1](#)

**F1559Pt. 12 Ch. 5A** (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Insurance company as lessor*

**502H Insurance company as lessor**

F1560 .....

**Textual Amendments**

**F1560S.** 502H omitted (with effect in accordance with [Sch. 17 para. 17\(12\)](#) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 17 para. 17\(10\)\(11\)\(b\)](#)

*Lessees under long funding finance leases*

**502I Lessee under long funding finance lease: limit on deductions**

F1561 .....

**Textual Amendments**

**F1561Pt. 12 Ch. 5A** (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**502J Lessee under long funding finance lease: termination**

F1562 .....

**Textual Amendments**

**F1562Pt. 12 Ch. 5A** (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 70](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Lessees under long funding operating leases*

**502K Lessee under long funding operating lease**

F1563 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1563**Pt. 12 Ch. 5A (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 70, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Interpretation of Chapter*

**502L Interpretation of this Chapter**

**F1564** ..... ]

**Textual Amendments**

**F1564**Pt. 12 Ch. 5A (ss. 502A-502L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 70, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**CHAPTER VI**

MISCELLANEOUS BUSINESSES AND BODIES

**[<sup>F1566</sup>503 Letting of furnished holiday accommodation treated as a trade for certain  
<sup>F1565</sup>corporation tax] purposes.**

**F1567** ..... ]

**Textual Amendments**

**F1565**Words in s. 503 sidenote inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 195\(5\)](#) (with [Sch. 2](#))  
**F1566**S. 503 substituted (with effect in accordance with s. 38(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 5 para. 42](#) (with [Sch. 5 para. 73](#))  
**F1567**S. 503 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 71, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**504 Supplementary provisions.**

**F1568** ..... ]

**Textual Amendments**

**F1568**S. 504 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 173, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**[<sup>F1569</sup>504 Letting of furnished holiday accommodation treated as trade for certain income tax purposes**

**F1570** ..... ]

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F1569**S. 504A inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 197](#) (with [Sch. 2](#))

**F1570**S. 504A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 93](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**505** [<sup>F1571</sup>**Charitable companies]: general.**

**F1572** .....

**Textual Amendments**

**F1571** Words in s. 505 sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 94\(10\)](#) (with [Sch. 2](#))

**F1572**S. 505 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 72](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**506** [<sup>F1573</sup>**Charitable and non-charitable expenditure]**

**F1574** .....

**Textual Amendments**

**F1573**S. 506(3) heading substituted (with effect in accordance with s. 55(5) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [s. 55\(2\)\(g\)](#)

**F1574**S. 506 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 73](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F1575</sup>**506A****Transactions with substantial donors**

**F1576** .....

**Textual Amendments**

**F1575**Ss. 506A-506C inserted (with effect in accordance with s. 54(2)(3) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [s. 54\(1\)](#)

**F1576**S. 506A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 74](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**506B Section 506A: exceptions**

**F1577** .....

**Textual Amendments**

**F1575**Ss. 506A-506C inserted (with effect in accordance with s. 54(2)(3) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [s. 54\(1\)](#)

*Status: Point in time view as at 19/07/2013.*

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**F1577S. 506B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 75, **Sch. 3 Pt. 1** (with Sch. 2)

**506C Sections 506A and 506B: supplemental**

**F1578** . . . . . ]

**Textual Amendments**

**F1575Ss. 506A-506C** inserted (with effect in accordance with s. 54(2)(3) of the amending Act) by Finance Act 2006 (c. 25), **s. 54(1)**

**F1578S. 506C** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 76, **Sch. 3 Pt. 1** (with Sch. 2)

**507 The National Heritage Memorial Fund, the Historic Buildings and Monuments Commission for England and the British Museum.**

**F1579** . . . . .

**Textual Amendments**

**F1579S. 507** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 77, **Sch. 3 Pt. 1** (with Sch. 2)

**508 Scientific research organisations.**

**F1580** . . . . .

**Textual Amendments**

**F1580S. 508** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 78, **Sch. 3 Pt. 1** (with Sch. 2)

**[<sup>F1581</sup>508A Investment trusts investing in housing.**

**F1582** . . . . .

**Textual Amendments**

**F1581Ss. 508A, 508B** inserted (with effect in accordance with Sch. 30 para. 3 of the amending Act) by Finance Act 1996 (c. 8), **Sch. 30 para. 1**

**F1582Ss. 508A, 508B** repealed (with effect in accordance with s. 145(2) of the repealing Act) by Finance Act 2006 (c. 25), s. 143(a), **Sch. 26 Pt. 4**

**508B Interpretation of section 508A.**

**F1583** . . . . . ]

*Status: Point in time view as at 19/07/2013.*

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### Textual Amendments

**F1581** Ss. 508A, 508B inserted (with effect in accordance with [Sch. 30 para. 3](#) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 30 para. 1](#)

**F1583** Ss. 508A, 508B repealed (with effect in accordance with s. 145(2) of the repealing Act) by [Finance Act 2006 \(c. 25\)](#), s. 143(a), [Sch. 26 Pt. 4](#)

### [<sup>F1584</sup>508A] **Contemplative religious communities: profits exempt from corporation tax**

- (1) Subsection (2) applies in a case where members of a qualifying contemplative religious community transfer all their income and assets, or covenant all their income, to the community (“the independent community”) (and for this purpose it is irrelevant whether or not the community is part of an order or religious institution).
- (2) As respects each chargeable period of the independent community, and each person who is a qualifying member of the independent community at any time in that period, the independent community shall be treated for the purposes of corporation tax as if an amount of its profits for the chargeable period equal to the relevant amount (see subsections (5) to (7)) were income of the qualifying member.
- (3) Subsection (4) applies in a case where—
  - (a) one or more qualifying contemplative religious communities (“constituent communities”) are part of an order or religious institution (“the parent body”), and
  - (b) members of the constituent communities transfer all their income and assets, or covenant all their income, to the parent body.
- (4) As respects each chargeable period of the parent body, and each person who is a qualifying member of a constituent community at any time in that period, the parent body shall be treated for the purposes of corporation tax as if an amount of its profits for the chargeable period equal to the relevant amount (see subsections (5) to (7)) were income of the qualifying member.
- (5) For the purposes of subsections (2) and (4), the relevant amount, in relation to a chargeable period, is the amount of the annual personal allowance for persons [<sup>F1585</sup>born after 5 April 1948] (see section 35 of ITA 2007) for—
  - (a) the tax year which begins in the chargeable period, or
  - (b) if no tax year begins in the chargeable period, the tax year which is current when the chargeable period begins.
- (6) But, if the chargeable period is less than 12 months, the relevant amount is—

$$\frac{P}{365} \times A$$

where—

P is the number of days in the chargeable period;

A is the amount determined under subsection (5) in relation to the chargeable period.

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- (7) If, during the chargeable period, an individual ceases to be a qualifying member of the independent community or a constituent community (otherwise than on death), the relevant amount, in relation to the chargeable period and that qualifying member, is—

$$\frac{Q}{P} \times B$$

where—

- Q is the number of days in the chargeable period for which the individual is a qualifying member of the independent community or constituent community;
- P is the number of days in the chargeable period;
- B is the amount determined under subsection (5), or subsections (5) and (6), in relation to the chargeable period.

- (8) So far as the exemption from corporation tax conferred by this section calls for repayment of tax, no repayment shall be made except on a claim made by the independent community or parent body.

- (9) In a case where a member of an independent community or constituent community—
- (a) has transferred or covenanted income to the community (in the case of an independent community) or the parent body (in the case of a constituent community), and
  - (b) has income for a tax year which does not exceed 20% of the annual personal allowance for persons [<sup>F1585</sup>born after 5 April 1948] (see section 35 of ITA 2007) for that tax year,

the member is, for the purposes of this section, to be taken to have transferred or covenanted all his or her income for that tax year to the community or parent body.

- (10) For the purposes of this section a contemplative religious community is a “qualifying” contemplative religious community if—
- (a) the community is established in the United Kingdom,
  - (b) the members of the community live and practise their religion in a communal establishment, and
  - (c) the community is not a charity, but the religion that is professed by the members of the community does not prevent the community from being a charity.

- (11) In this section—

“member”, in relation to a religious community, means an individual who—

- (a) is living in the community, and
- (b) has taken vows or made equivalent commitments (whether probationary or not);

“qualifying member”, in relation to a religious community, means a member of the community who—

- (a) has been a member of the community for a period of at least six months, and



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- (b) has transferred all his or her income and assets, or covenanted all his or her income, to the community (in the case of an independent community) or the parent body (in the case of a constituent community).

#### Textual Amendments

**F1584** Ss. 508A, 508B inserted (1.4.2010 with effect in accordance with art. 6(2) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2010 (S.I. 2010/157), arts. 1, 6(1)

**F1585** Words in s. 508A(5)(9)(b) substituted (with effect in accordance with s. 4(8) of the amending Act) by Finance Act 2012 (c. 14), s. 4(7)

### 508B Contemplative religious communities: gains exempt from corporation tax

- (1) Subsection (2) applies if, as respects a chargeable period—
- (a) section 508A(2) applies in relation to an independent community,
  - (b) the profits of the independent community in the chargeable period are less than the total of the amounts that fall to be treated as income of the qualifying members of the community in accordance with section 508A(2), and
  - (c) the independent community has chargeable gains in the chargeable period.
- (2) As respects the chargeable period and each qualifying member of the independent community, the community shall be treated for the purposes of corporation tax as if the relevant amount of its chargeable gains for that period were income of the qualifying member.
- (3) Subsection (4) applies if, as respects a chargeable period—
- (a) section 508A(4) applies in relation to a parent body,
  - (b) the profits of the parent body in the chargeable period are less than the total of the amounts that fall to be treated as income of the qualifying members of the constituent communities in accordance with section 508A(4), and
  - (c) the parent body has chargeable gains in the chargeable period.
- (4) As respects the chargeable period and each qualifying member of a constituent community, the parent body shall be treated for the purposes of corporation tax as if the relevant amount of its chargeable gains for that period were income of the qualifying member.
- (5) For the purposes of subsections (2) and (4), the relevant amount, in relation to a qualifying member of the independent community or a constituent community, is the smaller of—
- (a) the shortfall in profits, and
  - (b) the average gain.
- (6) The shortfall in profits is the difference between—
- (a) the relevant amount determined under section 508A(5) to (7) in relation to the qualifying member, and
  - (b) the amount that has actually been treated as the income of the qualifying member.
- (7) The average gain is—

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$$\frac{G}{N}$$

where—

G is the amount of the chargeable gains which the independent community or parent body has in the chargeable period;

N is the number calculated by adding together the relevant value for each qualifying member of the independent community or constituent communities who, under section 508A(2) or (4), falls to be treated as having income.

(8) For the purposes of calculating “N” in subsection (7)—

- (a) the relevant value for a qualifying member is 1;
- (b) but, if section 508A(7) applies in relation to the qualifying member, the relevant value for that member is—

$$1 \times \frac{Q}{P}$$

where Q and P have the same meanings as in section 508A(7).

(9) So far as the exemption from corporation tax conferred by this section calls for repayment of tax, no repayment shall be made except on a claim made by the independent community or parent body.]

**Textual Amendments**

**F1584** Ss. 508A, 508B inserted (1.4.2010 with effect in accordance with art. 6(2) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2010 (S.I. 2010/157), arts. 1, 6(1)

**509 Reserves of marketing boards and certain other statutory bodies.**

F1586 .....

**Textual Amendments**

**F1586** S. 509 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 176, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**510 Agricultural societies.**

F1587 .....

**Textual Amendments**

**F1587** S. 510 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 79, Sch. 3 Pt. 1 (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

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[<sup>F1588</sup>**510** ~~European economic interest groupings.~~

F1589 ..... ]

**Textual Amendments**

**F1588S. 510A** inserted (retrospective to 1.7.1989) by [Finance Act 1990 \(c. 29\)](#), [Sch. 11 paras. 1, 5](#)

**F1589S. 510A** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 80](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**511 The Electricity Council and Boards, the Northern Ireland Electricity Service and the Gas Council.**

(1) <sup>F1590</sup> .....

(2) <sup>F1590</sup> .....

(3) <sup>F1590</sup> .....

<sup>F1591</sup>(4) .....

<sup>F1591</sup>(5) .....

(6) <sup>F1590</sup> .....

(7) <sup>F1592</sup> .....

**Textual Amendments**

**F1590S. 511(1)-(3)(6)** repealed (9.11.2001) by [Electricity Act 1989 \(c. 29\)](#), s. 113(2), [Sch. 18](#); S.I. 2001/3419, [art. 2](#)

**F1591S. 511(4)(5)** repealed (1.4.1992) by S.I. 1992/231 (N.I. 1), [art. 95\(4\)](#), [Sch.14](#); S.R. 1992/117, [art. 3\(1\)](#)

**F1592S. 511(7)** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 81](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**512 Atomic Energy Authority and National Radiological Protection Board.**

F1593 .....

**Textual Amendments**

**F1593S. 512** repealed (with effect in accordance with s. 46(4)(c)-(e) of the repealing Act) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), s. 46(2)(c)(d), [Sch. 11 Pt. 2\(12\)](#), Note (with s. 46(7)); and s. 512(2) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with [Sch. 36](#))

**513 British Airways Board and National Freight Corporation.**

F1594 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1594S. 513** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 82, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**514 Funds for reducing the National Debt.**

**F1595** .....

**Textual Amendments**

**F1595S. 514** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 200, Sch. 3](#) (with [Sch. 2](#))

**515 Signatories to Operating Agreement for INMARSAT.**

**F1596** .....

**Textual Amendments**

**F1596S. 515** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 102, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**516 Government securities held by non-resident central banks.**

**F1597** .....

**Textual Amendments**

**F1597S. 516** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 103, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**517 Issue departments of the Reserve Bank of India and the State Bank of Pakistan.**

**F1598** .....

**Textual Amendments**

**F1598S. 517** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 83, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**518 Harbour reorganisation schemes.**

**F1599** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1599S. 518** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 84, **Sch. 3 Pt. 1** (with Sch. 2)

**519 Local authorities.**

**F1600** .....

**Textual Amendments**

**F1600S. 519** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 85, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F1601</sup>**519** **Health service bodies.**

**F1602** .....]

**Textual Amendments**

**F1601S. 519A** inserted (17.9.1990) by National Health Service and Community Care Act 1990 (c. 19), **ss. 61(1), 67(2)**; S.I. 1990/1329, art. 2(5)(a), **Sch. 2**

**F1602S. 519A** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 86, **Sch. 3 Pt. 1** (with Sch. 2)

**PART XIII**

MISCELLANEOUS SPECIAL PROVISIONS

**CHAPTER I**

INTELLECTUAL PROPERTY

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

**C21 Pt. 13 Ch. 1** modified (8.11.1995) by Atomic Energy Authority Act 1995 (c. 37), **Sch. 3 para. 20**

*Patents and know-how*

**520 Allowances for expenditure on purchase of patent rights: post-31st March 1986 expenditure.**

**F1603** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1603**Ss. 520-523 repealed (with effect in accordance with s. 579 of the repealing Act) by [Capital Allowances Act 2001 \(c. 2\), Sch. 2 para. 44, Sch. 4](#)

**521 Provisions supplementary to section 520.**

**F1604** . . . . .

**Textual Amendments**

**F1604**Ss. 520-523 repealed (with effect in accordance with s. 579 of the repealing Act) by [Capital Allowances Act 2001 \(c. 2\), Sch. 2 para. 44, Sch. 4](#)

**522 Allowances for expenditure on purchase of patent rights: pre-1st April 1986 expenditure.**

**F1605** . . . . .

**Textual Amendments**

**F1605**Ss. 520-523 repealed (with effect in accordance with s. 579 of the repealing Act) by [Capital Allowances Act 2001 \(c. 2\), Sch. 2 para. 44, Sch. 4](#)

**523 Lapses of patent rights, sales etc.**

**F1606** . . . . .

**Textual Amendments**

**F1606**Ss. 520-523 repealed (with effect in accordance with s. 579 of the repealing Act) by [Capital Allowances Act 2001 \(c. 2\), Sch. 2 para. 44, Sch. 4](#)

**524 Taxation of receipts from sale of patent rights.**

**F1607** . . . . .

**Textual Amendments**

**F1607**S. 524 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 179, Sch. 3 Pt. 1 \(with Sch. 2 Pts. 1, 2\)](#)

**525 Capital sums: <sup>F1608</sup> . . . winding up or partnership change.**

**F1609** . . . . .

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F1608** Word in s. 525 sidenote omitted (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by virtue of [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 202\(5\)](#) (with [Sch. 2](#))
- F1609** S. 525 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 180](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**526 Relief for expenses.**

**F1610** .....

**Textual Amendments**

- F1610** S. 526 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 181](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**527 Spreading of royalties over several years.**

<sup>F1611M73</sup>(1) Where—

- (a) a royalty or other sum is paid to a company in respect of the user of a patent,
- (b) the user extended over a period of six complete years or more, and
- (c) the payment is one from which a sum representing income tax must be deducted under section 903 of ITA 2007,

the company may on the making of a claim require that the corporation tax payable by it by reason of the receipt of that sum shall be reduced so as not to exceed the total amount of corporation tax which would have been payable by it if that royalty or sum had been paid in six equal instalments at yearly intervals, the last of which was paid on the date on which the payment was in fact made.]

- (2) Subsection (1) above shall apply in relation to a royalty or other sum where the period of the user is two complete years or more but less than six complete years as it applies to the royalties and sums mentioned in that subsection, but with the substitution for the reference to six equal instalments of a reference to so many equal instalments as there are complete years comprised in that period.

(3) <sup>F1612</sup> .....

(4) <sup>F1613</sup> .....

**Textual Amendments**

- F1611** S. 527(1) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 108\(2\)](#) (with [Sch. 2](#))
- F1612** S. 527(3) repealed (with effect in accordance with Sch. 14 Pt. 8 Note 5 of the repealing Act) by [Finance Act 1988 \(c. 39\)](#), [Sch. 14 Pt. 8](#)
- F1613** S. 527(4) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 108\(3\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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### Marginal Citations

M73 Source - 1970 s.384

## 528 Manner of making allowances and charges.

F1614  
 .....

### Textual Amendments

**F1614S.** 528 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 182, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

## 529 Patent income to be earned income in certain cases.

F1615  
 .....

### Textual Amendments

**F1615S.** 529 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 206, Sch. 3](#) (with [Sch. 2](#))

## 530 Disposal of know-how.

F1616  
 .....

### Textual Amendments

**F1616S.** 530 repealed (with effect in accordance with s. 579 of the repealing Act) by [Capital Allowances Act 2001 \(c. 2\), Sch. 2 para. 47, Sch. 4](#)

## 531 Provisions supplementary to section 530.

F1617  
 .....

### Textual Amendments

**F1617S.** 531 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 183, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

## 532 Application of Capital Allowances Act

F1618  
 .....

### Textual Amendments

**F1618S.** 532 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 184, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))



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### 533 Interpretation of sections 520 to 532.

F1619 .....

#### Textual Amendments

**F1619S. 533** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 185, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

#### *Copyright and public lending right*

### 534 Relief for copyright payments etc.

F1620 .....

#### Textual Amendments

**F1620S. 534** repealed (with effect in accordance with s. 71(3) of the repealing Act) by [Finance Act 2001 \(c. 9\), Sch. 33 Pt. 2\(6\)](#)

### 535 Relief where copyright sold after ten years or more.

F1621 .....

#### Textual Amendments

**F1621S. 535** repealed (with effect in accordance with s. 71(3) of the repealing Act) by [Finance Act 2001 \(c. 9\), Sch. 33 Pt. 2\(6\)](#)

### 536 Taxation of royalties where owner abroad.

F1622 .....

#### Textual Amendments

**F1622Ss. 536, 537, 537B** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 110, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### 537 Public lending right.

F1623 .....

#### Textual Amendments

**F1623Ss. 536, 537, 537B** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 110, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Status: Point in time view as at 19/07/2013.*

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### *f<sup>F1624</sup> Designs*

#### Textual Amendments

**F1624** Ss. 537A, 537B and preceding cross-heading inserted (1.8.1989) by [Intellectual Property Act 1988](#) (c. 48), [Sch. 7 para. 36\(6\)](#); S.I. 1989/816, [art. 2](#)

#### **537A Relief for payments in respect of designs.**

F1625 .....

#### Textual Amendments

**F1625** S. 537A repealed (with effect in accordance with s. 71(3) of the repealing Act) by [Finance Act 2001](#) (c. 9), [Sch. 33 Pt. 2\(6\)](#)

#### **537B Taxation of design royalties where owner abroad.**

F1626 .....]

#### Textual Amendments

**F1626** Ss. 536, 537, 537B repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007](#) (c. 3), [Sch. 1 para. 110](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### *Artists' receipts*

#### **538 Relief for painters, sculptors and other artists.**

F1627 .....

#### Textual Amendments

**F1627** S. 538 repealed (with effect in accordance with s. 71(3) of the repealing Act) by [Finance Act 2001](#) (c. 9), [Sch. 33 Pt. 2\(6\)](#)

## CHAPTER II

### LIFE POLICIES, LIFE ANNUITIES AND CAPITAL REDEMPTION POLICIES

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

- C22** Pt. 13 Ch. 2 restricted (with effect in accordance with s. 105(1) of the affecting Act) by [Finance Act 1996](#) (c. 8), [Sch. 13 para. 3\(2\)](#) (with [Sch. 13 para. 16](#))
- C23** Pt. 13 Ch. 2 applied (with modifications) (6.4.1999) by [The Individual Savings Account Regulations 1998](#) (S.I. 1998/1870), [regs. 35\(7\)](#), [36\(3\)-\(7\)](#) (as amended by [The Individual Savings Account \(Amendment\) Regulations 1998](#) (S.I. 1998/3174), [reg. 12](#))

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- C24** Pt. 13 Ch. 2 applied (with modifications) (6.4.1999 with effect in accordance with reg. 1 of the affecting S.I.) by [The Personal Portfolio Bonds \(Tax\) Regulations 1999 \(S.I. 1999/1029\)](#), **reg. 6(2)-(8)** (as amended (6.4.2002) by [The Personal Portfolio Bonds \(Tax\) \(Amendment\) Regulations 2002 \(S.I. 2002/455\)](#), **regs. 1, 2**)
- C25** Pt. 13 Ch. 2 modified (9.4.2003) by [Finance Act 2003 \(c. 14\)](#), s. 171(1)(3), **Sch. 34 para. 3**
- C26** Pt. 13 Ch. 2 modified (9.4.2003) by [Finance Act 2003 \(c. 14\)](#), s. 171(1)(3), **Sch. 34 para. 15**
- C27** Pt. 13 Ch. 2 modified (6.4.2005) by [The Child Trust Funds Regulations 2004 \(S.I. 2004/1450\)](#), **regs. 1, 2(1), 38(3)-(8)**; S.I. 2004/3369, **art. 2(1)**
- C28** Pt. 13 Ch. 2 modified (20.7.2005) by [Finance \(No. 2\) Act 2005 \(c. 22\)](#), **Sch. 7 para. 14(5)-(7)**
- C29** Pt. 13 Ch. 2 modified (with effect in accordance with Sch. 13 para. 5 of the modifying Act) by [Finance Act 2008 \(c. 9\)](#), **Sch. 13 para. 6**

### 539 Introductory.

F1628 .....

#### Textual Amendments

**F1628**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **Sch. 14 para. 3**

### [<sup>F1629</sup>539ZA] Application of this Chapter etc. to policies and contracts in which persons other than companies are interested

F1630 .....

#### Textual Amendments

**F1629**S. 539ZA inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), **Sch. 1 para. 211** (with Sch. 2)

**F1630**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **Sch. 14 para. 3**

### [<sup>F1631</sup>539A] The conditions for being an excepted group life policy

F1632 .....

#### Textual Amendments

**F1631**S. 539A inserted (9.4.2003) by [Finance Act 2003 \(c. 14\)](#), s. 171(1)(3), **Sch. 34 para. 2**

**F1632**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), **Sch. 14 para. 3**

### 540 Life policies: chargeable events.

F1633 .....

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**Textual Amendments**

**F1633**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**541 Life policies: computation of gain.**

F1634 .....

**Textual Amendments**

**F1634**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**542 Life annuity contracts: chargeable events.**

F1635 .....

**Textual Amendments**

**F1635**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**543 Life annuity contracts: computation of gain.**

F1636 .....

**Textual Amendments**

**F1636**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**544 Second and subsequent assignment of life policies and contracts.**

F1637 .....

**Textual Amendments**

**F1637**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**545 Capital redemption policies.**

F1638 .....

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**Textual Amendments**

**F1638**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**546 Calculation of certain amounts for purposes of sections 540, 542 and 545.**

**F1639** .....

**Textual Amendments**

**F1639**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

[<sup>F1640</sup>**546A** **Treatment of certain assignments etc involving co-ownership**

**F1641** .....]

**Textual Amendments**

**F1640**S. 546A inserted (with effect in accordance with s. 83(2) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), [Sch. 28 para. 9](#)

**F1641**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

[<sup>F1642</sup>**546B** **Special provision in respect of certain section 546 excesses**

**F1643** .....

**Textual Amendments**

**F1642**Ss. 546B-546D inserted (with effect in accordance with s. 83(2) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), [Sch. 28 para. 10](#)

**F1643**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

**546C Charging the section 546 excess to tax where section 546B applies**

**F1644** .....

**Textual Amendments**

**F1642**Ss. 546B-546D inserted (with effect in accordance with s. 83(2) of the amending Act) by [Finance Act 2001 \(c. 9\)](#), [Sch. 28 para. 10](#)

**F1644**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

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## 546D Modifications of s.546C for final year ending with terminal chargeable event

F1645 ..... ]

### Textual Amendments

**F1642**Ss. 546B-546D inserted (with effect in accordance with s. 83(2) of the amending Act) by Finance Act 2001 (c. 9), Sch. 28 para. 10

**F1645**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), Sch. 14 para. 3

## 547 Method of charging gain to tax.

F1646 .....

### Textual Amendments

**F1646**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), Sch. 14 para. 3

## [<sup>F1647</sup>547] Method of charging gain to tax: multiple interests.

F1648 ..... ]

### Textual Amendments

**F1647**S. 547A inserted (with effect in accordance with Sch. 14 para. 7(5) of the amending Act) by Finance Act 1998 (c. 36), Sch. 14 para. 2

**F1648**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), Sch. 14 para. 3

## 548 Deemed surrender of certain loans.

F1649 .....

### Textual Amendments

**F1649**Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), Sch. 14 para. 3

## [<sup>F1650</sup>548] Effect of rebated or reinvested commission in certain cases

F1651 .....

### Textual Amendments

**F1650**Ss. 548A, 548B inserted (with effect in accordance with s. 29(4) of the amending Act) by Finance Act 2007 (c. 11), s. 29(1)

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**F1651** Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 3**

## 548B Section 548A: further definitions

**F1652** ..... ]

### Textual Amendments

**F1650** Ss. 548A, 548B inserted (with effect in accordance with s. 29(4) of the amending Act) by Finance Act 2007 (c. 11), s. 29(1)

**F1652** Ss. 539-551A omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 3**

## 549 Certain deficiencies allowable as deductions.

**F1653** .....

### Textual Amendments

**F1653** S. 549 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 219, **Sch. 3** (with Sch. 2)

## 550 Relief where gain charged at a higher rate.

**F1654** .....

### Textual Amendments

**F1654** S. 550 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 220, **Sch. 3** (with Sch. 2)

## 551 Right of individual to recover tax from trustees.

**F1655** .....

### Textual Amendments

**F1655** S. 551 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 221, **Sch. 3** (with Sch. 2)

## [<sup>F1656</sup> 551] Right of company to recover tax from trustees.

**F1657** ..... ]

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### Textual Amendments

**F1656**Ss. 551A inserted (with effect in accordance with [Sch. 14 para. 7\(5\)](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 14 para. 3](#)

**F1657**Ss. 539-551A omitted (with effect in accordance with [Sch. 14 para. 18\(1\)](#) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 3](#)

### <sup>F1658</sup>552Information: duty of insurers.

- (1) Where a chargeable event <sup>F1659</sup>. . . has happened in relation to any policy or contract, the body by or with whom the policy or contract was issued, entered into or effected shall—
  - (a) unless satisfied that no gain is to be treated as arising by reason of the event, deliver to the appropriate policy holder before the end of the relevant three month period a certificate specifying the information described in subsection (5) below; and
  - (b) if the condition in paragraph (a) or (b) of subsection (2) below is satisfied, deliver to the inspector before the end of the relevant three month period a certificate specifying the information described in subsection (5) below together with the name and address of the appropriate policy holder.
- (2) For the purposes of this section—
  - (a) the condition in this paragraph is that the event is an assignment for money or money's worth of the whole of the rights conferred by the policy or contract; or
  - (b) the condition in this paragraph is that the amount of the gain, or the aggregate amount of the gain and any gains connected with it, exceeds one half of the basic rate limit for the relevant year of assessment.
- (3) If, in the case of every certificate which a body delivers under subsection (1)(a) above which relates to a gain attributable to a year of assessment <sup>F1660</sup>. . . , the body also delivers to the inspector—
  - (a) before the end of the relevant three month period for the purposes of subsection (1)(b) above,
  - (b) by a means prescribed by the Board for the purposes of this subsection under section 552ZA(5), and
  - (c) in a form so prescribed in the case of that means,
 a certificate specifying the same information as the certificate under subsection (1)(a) together with the name and address of the appropriate policy holder, the body shall be taken to have complied with the requirements of subsection (1)(b) above in relation to that year of assessment <sup>F1661</sup>. . . so far as relating to the chargeable events to which the certificates relate.
- (4) Where a certificate is not required to be delivered under subsection (1)(b) above in the case of any chargeable event—
  - (a) the inspector may by notice require the body to deliver to him a copy of any certificate that the body was required to deliver under subsection (1)(a) above which relates to the chargeable event; and
  - (b) it shall be the duty of the body to deliver such a copy within 30 days of receipt of the notice.



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- (5) The information to be given to the appropriate policy holder pursuant to subsection (1) (a) above or the inspector pursuant to subsection (1)(b) above is—
- (a) any unique identifying designation given to the policy or contract;
  - (b) the nature of the chargeable event and—
    - (i) the date on which it happened; and
    - (ii) if it is a chargeable event by virtue of <sup>F1662</sup> . . . [<sup>F1663</sup>section 514(1) of ITTOIA 2005 (chargeable events where transaction-related calculations show gains), the date on which [<sup>F1664</sup>the insurance year ends];]
  - (c) if the event is the assignment of all the rights conferred by the policy or contract, such of the following as may be required for computing the amount of the gain to be treated as arising by virtue of <sup>F1665</sup> . . . [<sup>F1666</sup>Chapter 9 of Part 4 of ITTOIA 2005]—
    - (i) <sup>F1667</sup> . . . [<sup>F1668</sup>the amount or value of any capital sums of a kind referred to in section 492(1)(b) to (e) of ITTOIA 2005];
    - (ii) the amounts previously paid under the policy or contract by way of premiums or otherwise by way of consideration for an annuity;
    - (iii) <sup>F1669</sup> . . . [<sup>F1670</sup>the amount of so much of any payment previously made on account of an annuity as is exempt under section 717 of ITTOIA 2005];
    - (iv) the value of any previously assigned parts of or shares in the rights conferred by the policy or contract;
    - (v) <sup>F1671</sup> . . . [<sup>F1672</sup>the total of the amounts of gains treated as arising on previous chargeable events within section 509(1) or 514(1) of ITTOIA 2005];
  - (d) except where paragraph (c) above applies, the amount of the gain treated as arising by reason of the event;
  - <sup>F1673</sup>(e) the number of years relevant for computing the annual equivalent of the amount of the gain for the purposes of subsection (1) of section 536 of ITTOIA 2005 (top slicing relieved liability: one chargeable event), apart from subsections (6) and (8) of that section;]
  - <sup>F1674</sup>(f) on the assumption that section 465 of ITTOIA 2005 (person liable: individuals) has effect in relation to the gain —
    - (i) whether an individual would fall to be treated as having paid income tax at the [<sup>F1675</sup>basic rate] on the amount of the gain in accordance with section 530 of that Act; and
    - (ii) if so, except in a case where paragraph (c) above applies, the amount of such tax that would fall to be so treated as paid.]
- (6) For the purposes of subsection (1)(a) above, the relevant three month period is whichever of the following periods ends the latest—
- (a) the period of three months following the happening of the chargeable event;
  - (b) if the event is a surrender or assignment which is a chargeable event by virtue of <sup>F1676</sup> . . . [<sup>F1677</sup>section 514(1) of ITTOIA 2005 <sup>F1678</sup> . . . ], the period of three months following the end of [<sup>F1679</sup>the insurance year] in which the event happens;
  - (c) if the event is a death or an assignment of the whole of the rights or a surrender or assignment which is a chargeable event by virtue of <sup>F1680</sup> . . .

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[<sup>F1681</sup>section 514(1) of ITTOIA 2005 <sup>F1680</sup>. . . ], the period of three months beginning with receipt of written notification of the event.

(7) For the purposes of subsection (1)(b) above, the relevant three month period is whichever of the following periods ends the latest—

- (a) the period of three months following the end of the year of assessment <sup>F1682</sup>. . . in which the event happened;
- (b) if the event is a surrender or assignment which is a chargeable event by virtue of [<sup>F1683</sup>section 514(1) of ITTOIA 2005, the period of three months following the end of the insurance year] in which the event happens;
- (c) if the event is a death or an assignment, the period of three months beginning with receipt of written notification of the event;
- (d) if a certificate under subsection (1)(b) above would not be required in respect of the event apart from the happening of another event, and that other event is one of those mentioned in paragraph (c) above, the period of three months beginning with receipt of written notification of that other event.

(8) For the purposes of this section the cases where a gain is connected with another gain are those cases where—

- (a) both gains arise in connection with policies or contracts containing obligations which, immediately before the chargeable event, were obligations of the same body;
- (b) the policy holder of those policies or contracts is the same;
- (c) both gains are attributable to the same year of assessment <sup>F1684</sup>. . . ;
- (d) the terms of the policies or contracts are the same, apart from any difference in their maturity dates; and
- (e) the policies or contracts were issued in respect of insurances made, or were entered into or effected, on the same date.

(9) For the purposes of this section, the year of assessment <sup>F1685</sup>. . . to which a gain is attributable is—

- (a) in the case of a gain treated as arising by virtue of [<sup>F1686</sup>subsection (1) of section 514 of ITTOIA 2005, the year of assessment which includes the end of the insurance year mentioned in subsection (3) and (4) of that section;] or
- (b) in any other case, the year of assessment <sup>F1687</sup>. . . in which happens the chargeable event by reason of which the gain is treated as arising.

(10) In this section—

“amount”, in relation to any gain, means the amount of the gain apart from <sup>F1688</sup>. . . [<sup>F1689</sup>section 528 of ITTOIA 2005];

“appropriate policy holder” means—

- (a) in relation to an assignment of part of or a share in the rights conferred by a policy or contract, any person who is both—
  - (i) the policy holder, or one of the policy holders, immediately before the assignment; and
  - (ii) the assignor or one of the assignors; and
- (b) in relation to any other chargeable event, the person who is the policy holder immediately before the happening of the event;

[<sup>F1690</sup>“chargeable event” means an event which is a chargeable event within the meaning of <sup>F1691</sup>. . . Chapter 9 of Part 4 of ITTOIA 2005;]

<sup>F1692</sup>  
 . . . . .

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[<sup>F1693cc</sup>“insurance year” has the same meaning as in Chapter 9 of Part 4 of ITTOIA 2005 (see section 499 of that Act);]

“the relevant year of assessment”, in the case of any gain, means—

(a) the year of assessment to which the gain is attributable, <sup>F1694</sup> . . .

(b) <sup>F1694</sup> . . . . .

<sup>F1695</sup> . . . . .

<sup>F1695</sup> . . . . .

(11) <sup>F1696</sup> . . . . .

(12) This section is supplemented by section 552ZA.

[<sup>F1697</sup>[<sup>F1698</sup>(13) For the purposes of this section—

(a) section 491(2) of ITTOIA 2005 is taken to have effect as if, in the definition of “PG”, the words from “but” to the end were omitted, and

(b) no account is to be taken of the effect of [<sup>F1699</sup>section 465B or 541A] of that Act.]]

[<sup>F1700</sup>(14) For the purposes of this section no account is to be taken of the effect of sections 528 and 528A of ITTOIA 2005.]]

#### Textual Amendments

**F1658**Ss. 552, 552ZA substituted for s. 552 (with effect in accordance with s. 83(3) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 28 para. 18**

**F1659**Words in s. 552(1) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(2)**, **Sch. 3** (with **Sch. 2**)

**F1660**Words in s. 552(3) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(2)(a)**

**F1661**Words in s. 552(3) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(2)(b)**

**F1662**Words in s. 552(5)(b)(ii) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(3)(a)(i)**

**F1663**Words in s. 552(5)(b)(ii) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(a)** (with **Sch. 2**)

**F1664**Words in s. 552(5)(b)(ii) substituted (with effect in accordance with **Sch. 14 para. 18** of the amending Act) by Finance Act 2008 (c. 9), **Sch. 14 para. 4(3)(a)(ii)**

**F1665**Words in s. 552(5)(c) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(3)(b)(i)**

**F1666**Words in s. 552(5)(c) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(b)(i)** (with **Sch. 2**)

**F1667**Words in s. 552(5)(c)(i) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(3)(b)(ii)**

**F1668**Words in s. 552(5)(c)(i) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(b)(ii)** (with **Sch. 2**)

**F1669**Words in s. 552(5)(c)(iii) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(3)(b)(iii)**

**F1670**Words in s. 552(5)(c)(iii) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(b)(iii)** (with **Sch. 2**)

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- F1671** Words in s. 552(5)(c)(v) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(3)(b)(iv)**
- F1672** Words in s. 552(5)(c)(v) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(b)(iv)** (with Sch. 2)
- F1673** S. 552(5)(e) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(c)** (with Sch. 2)
- F1674** S. 552(5)(f) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(3)(d)** (with Sch. 2)
- F1675** Words in s. 552(5)(f)(i) substituted (with effect in accordance with Sch. 1 para. 65 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 1 para. 43**
- F1676** Words in s. 552(6)(b) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(4)(a)(i)**
- F1677** Words in s. 552(6)(b) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(4)(a)(i)** (with Sch. 2)
- F1678** Closing bracket in s. 552(6)(b) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(4)(a)(ii)**
- F1679** Words in s. 552(6)(b) substituted (with effect in accordance with Sch. 14 para. 18 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 14 para. 4(4)(a)(iii)**
- F1680** Words and closing bracket in s. 552(6)(c) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(4)(b)**
- F1681** Words in s. 552(6)(c) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(4)(b)** (with Sch. 2)
- F1682** Words in s. 552(7)(a) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(5)(a)**
- F1683** Words in s. 552(7)(b) substituted (with effect in accordance with Sch. 14 para. 18 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 14 para. 4(5)(b)**
- F1684** Words in s. 552(8)(c) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(6)**
- F1685** Words in s. 552(9) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(7)(a)**
- F1686** Words in s. 552(9)(a) substituted (with effect in accordance with Sch. 14 para. 18 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 14 para. 4(7)(b)**
- F1687** Words in s. 552(9)(b) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(7)(c)**
- F1688** S. 552(10): words in definition of "amount" omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(8)(a)**
- F1689** S. 552(10): words in definition of "amount" inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(7)(a)** (with Sch. 2)
- F1690** S. 552(10): definition of "chargeable event" inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 222(7)(b)** (with Sch. 2)
- F1691** S. 552(10): words in definition of "chargeable event" omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(8)(b)**
- F1692** S. 552(10): definition of "financial year" omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(8)(c)**
- F1693** S. 552(10): definition of "insurance year" inserted (with effect in accordance with Sch. 14 para. 18 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 14 para. 4(8)(d)**
- F1694** S. 552(10): in definition of "the relevant year of assessment", para. (b) and preceding word omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(8)(e)**

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- F1695S.** 552(10): definitions of "section 546 excess" and "year" omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(8)(f)**
- F1696S.** 552(11) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 4(9)**
- F1697S.** 552(13) inserted (with effect in accordance with s. 29(4) of the amending Act) by Finance Act 2007 (c. 11), **s. 29(2)**
- F1698S.** 552(13) substituted (with effect in accordance with s. 11(4)-(6) of the amending Act) by Finance Act 2011 (c. 11), **s. 11(3)**
- F1699**Words in s. 552(13) substituted (with effect in accordance with Sch. 45 para. 153(3) of the amending Act) by Finance Act 2013 (c. 29), **Sch. 45 para. 144**
- F1700S.** 552(14) inserted (with effect in accordance with Sch. 8 para. 7 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 8 para. 6**

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

- C30** S. 552(6) modified (9.4.2003) by Finance Act 2003 (c. 14), s. 171(1)(3), **Sch. 34 para. 5**

**[<sup>F1701</sup>552Z Information: supplementary provisions**

- (1) This section supplements section 552 and shall be construed as one with it.
- (2) Where the obligations under any policy or contract of the body that issued, entered into or effected it ("the original insurer") are at any time the obligations of another body ("the transferee") to whom there has been a transfer of the whole or any part of a business previously carried on by the original insurer, section 552 shall have effect in relation to that time, except where the chargeable event—
  - (a) happened before the transfer, and
  - (b) in the case of a death or an assignment, is an event of which the notification mentioned in subsection (6) or (7) of that section was given before the transfer, as if the policy or contract had been issued, entered into or effected by the transferee.
- (3) Where, in consequence of <sup>F1702</sup> . . . [<sup>F1703</sup>section 514(1) of ITTOIA 2005], paragraph (a) or (b) of section 552(1) requires certificates to be delivered in respect of two or more surrenders, happening in the same year, of part of or a share in the rights conferred by the policy or contract, a single certificate may be delivered under the paragraph in question in respect of all those surrenders (and may treat them as if they together constituted a single surrender) unless between the happening of the first and the happening of the last of them there has been—
  - (a) an assignment of part of or a share in the rights conferred by the policy or contract; or
  - (b) an assignment, otherwise than for money or money's worth, of the whole of the rights conferred by the policy or contract.
- (4) Where the appropriate policy holder is two or more persons—
  - (a) section 552(1)(a) requires a certificate to be delivered to each of them; but
  - (b) nothing in section 552 or this section requires a body to deliver a certificate under subsection (1)(a) of that section to any person whose address has not been provided to the body (or to another body, at a time when the obligations under the policy or contract were obligations of that other body).
- (5) A certificate under section 552(1)(b) or (3)—
  - (a) shall be in a form prescribed for the purpose by the Board; and
  - (b) shall be delivered by any means prescribed for the purpose by the Board;

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and different forms, or different means of delivery, may be prescribed for different cases or different purposes.

- (6) The Board may by regulations make such provision as they think fit for securing that they are able—
- (a) to ascertain whether there has been or is likely to be any contravention of the requirements of section 552 or this section; and
  - (b) to verify any certificate under that section.
- (7) Regulations under subsection (6) above may include, in particular, provisions requiring persons to whom premiums under any policy are or have at any time been payable—
- (a) to supply information to the Board; and
  - (b) to make available books, documents and other records for inspection on behalf of the Board.
- (8) Regulations under subsection (6) above may—
- (a) make different provision for different cases; and
  - (b) contain such supplementary, incidental, consequential or transitional provision as appears to the Board to be appropriate.]

#### Textual Amendments

**F1701** Ss. 552, 552ZA substituted for s. 552 (with effect in accordance with s. 83(3) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 28 para. 18**

**F1702** Words in s. 552ZA(3) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 5**

**F1703** Words in s. 552ZA(3) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 223** (with Sch. 2)

#### [<sup>F1704</sup> ~~552ZA~~ Regulations in relation to qualifying policies

- (1) The Commissioners for Her Majesty's Revenue and Customs may make regulations—
- (a) requiring relevant persons—
    - (i) to provide prescribed information to persons who apply for the issue of qualifying policies or who are, or may be, required to make statements under paragraph B3(2) of Schedule 15;
    - (ii) to provide to an officer of Revenue and Customs prescribed information about qualifying policies which have been issued by them or in relation to which they are or have been a relevant transferee;
  - (b) making such provision (not falling within paragraph (a)) as the Commissioners think fit for securing that an officer of Revenue and Customs is able—
    - (i) to ascertain whether there has been or is likely to be any contravention of the requirements of the regulations or of paragraph B3(2) of Schedule 15;
    - (ii) to verify any information provided to an officer of Revenue and Customs as required by the regulations.

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- (2) The provision that may be made by virtue of subsection (1)(b) includes, in particular, provision requiring relevant persons to make available books, documents and other records for inspection by or on behalf of an officer of Revenue and Customs.
- (3) The regulations may—
- (a) make different provision for different cases or circumstances, and
  - (b) contain incidental, supplementary, consequential, transitional, transitory or saving provision.
- (4) In this section—
- “prescribed” means prescribed by the regulations,
- “qualifying policy” includes a policy which would be a qualifying policy apart from—
- (a) paragraph A1(2), B1(2), B2(2) or B3(3) of Schedule 15, or
  - (b) paragraph 17(2)(za) of that Schedule (including as applied by paragraph 18), and
- “relevant person” means a person—
- (a) who issues, or has issued, qualifying policies, or
  - (b) who is, or has been, a relevant transferee in relation to qualifying policies.
- (5) For the purposes of this section a person (“X”) is at any time a “relevant transferee” in relation to a qualifying policy if the obligations under the policy of its issuer are at that time the obligations of X as a result of there having been a transfer to X of the whole or any part of a business previously carried on by the issuer.]

#### Textual Amendments

**F1704S. 552ZB** inserted (17.7.2013) by [Finance Act 2013 \(c. 29\)](#), [Sch. 9 para. 10](#)

#### [<sup>F1705</sup>552A] **Tax representatives.**

- (1) This section has effect for the purpose of securing that, where it applies to an overseas insurer, another person is the overseas insurer’s tax representative.
- (2) In this section “overseas insurer” means a person who is not resident in the United Kingdom who carries on a business which consists of or includes the effecting and carrying out of—
- (a) policies of life insurance;
  - (b) contracts for life annuities; or
  - (c) capital redemption policies.
- (3) This section applies to an overseas insurer—
- (a) if the condition in subsection (4) below is satisfied on the designated day; or
  - (b) where that condition is not satisfied on that day, if it has subsequently become satisfied.
- (4) The condition mentioned in subsection (3) above is that—
- (a) there are in force relevant insurances the obligations under which are obligations of the overseas insurer in question or of an overseas insurer connected with him; and

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- (b) the total amount or value of the gross premiums paid under those relevant insurances is £1 million or more.
- (5) In this section “relevant insurance” means any policy of life insurance, contract for a life annuity or capital redemption policy <sup>F1706</sup> . . . in the case of which—
- (a) the holder is resident in the United Kingdom;
  - (b) the obligations of the insurer are obligations of a person not resident in the United Kingdom; and
  - (c) those obligations are not attributable to a branch or agency of that person’s in the United Kingdom.
- (6) Before the expiration of the period of three months following the day on which this section first applies to an overseas insurer, the overseas insurer must nominate to the Board a person to be his tax representative.
- (7) A person shall not be a tax representative unless—
- (a) if he is an individual, he is resident in the United Kingdom and has a fixed place of residence there, or
  - (b) if he is not an individual, he has a business establishment in the United Kingdom,
- and, in either case, he satisfies such other requirements (if any) as are prescribed in regulations made for the purpose by the Board.
- (8) A person shall not be an overseas insurer’s tax representative unless—
- (a) his nomination by the overseas insurer has been approved by the Board; or
  - (b) he has been appointed by the Board.
- (9) The Board may by regulations make provision supplementing this section; and the provision that may be made by any such regulations includes provision with respect to—
- (a) the making of a nomination by an overseas insurer of a person to be his tax representative;
  - (b) the information which is to be provided in connection with such a nomination;
  - (c) the form in which such a nomination is to be made;
  - (d) the powers and duties of the Board in relation to such a nomination;
  - (e) the procedure for approving, or refusing to approve, such a nomination, and any time limits applicable to doing so;
  - (f) the termination, by the overseas insurer or the Board, of a person’s appointment as a tax representative;
  - (g) the appointment by the Board of a person as the tax representative of an overseas insurer (including the circumstances in which such an appointment may be made);
  - (h) the nomination by the overseas insurer, or the appointment by the Board, of a person to be the tax representative of an overseas insurer in place of a person ceasing to be his tax representative;
  - (j) circumstances in which an overseas insurer to whom this section applies may, with the Board’s agreement, be released (subject to any conditions imposed by the Board) from the requirement that there must be a tax representative;
  - (k) appeals to the [<sup>F1707</sup>tribunal] against decisions of the Board under this section or regulations under it.



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- (10) The provision that may be made by regulations under subsection (9) above also includes provision for or in connection with the making of other arrangements between the Board and an overseas insurer for the purpose of securing the discharge by or on behalf of the overseas insurer of the relevant duties, within the meaning of section 552B.
- (11) [<sup>F1708</sup>Section 1122 of CTA 2010] (connected persons) applies for the purposes of this section.
- (12) In this section—
- <sup>F1709</sup>“capital redemption policy” means a capital redemption policy in relation to which <sup>F1710</sup>. . . Chapter 9 of Part 4 of ITTOIA 2005 [<sup>F1711</sup>has] effect;]
- <sup>F1712</sup>“contract for a life annuity” means a contract for a life annuity in relation to which <sup>F1710</sup>. . . Chapter 9 of Part 4 of ITTOIA 2005 [<sup>F1711</sup>has] effect;]
- “the designated day” means such day as the Board may specify for the purpose in regulations;
- <sup>F1713</sup>“policy of life insurance” means a policy of life insurance in relation to which <sup>F1710</sup>. . . Chapter 9 of Part 4 of ITTOIA 2005 [<sup>F1711</sup>has] effect;]
- “tax representative” means a tax representative under this section.

#### Subordinate Legislation Made

**P1** S. 552A(12) power exercised: 6.4.1999 appointed by S.I. 1999/881, **reg. 3**

#### Textual Amendments

**F1705**Ss. 552A, 552B inserted (31.7.1998) by Finance Act 1998 (c. 36), **s. 87**

**F1706**Words in s. 552A(5) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 224(2), **Sch. 3** (with Sch. 2)

**F1707**Word in s. 552A(9)(k) substituted (1.4.2009) by The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), **Sch. 1 para. 148**

**F1708**Words in s. 552A(11) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 87** (with Sch. 2)

**F1709**S. 552A(12): definition of "capital redemption policy" inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 224(3)** (with Sch. 2)

**F1710**Words in s. 552A(12) omitted (with effect in accordance with Sch. 14 para. 18 of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 6(a)**

**F1711**Words in s. 552A(12) substituted (with effect in accordance with Sch. 14 para. 18 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 14 para. 6(b)**

**F1712**S. 552A(12): definition of "contract for a life annuity" inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 224(3)** (with Sch. 2)

**F1713**S. 552A(12): definition of "policy of life insurance" inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 224(3)** (with Sch. 2)

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

**C31** S. 522A restricted (6.4.1999) by The Overseas Insurers (Tax Representatives) Regulations 1999 (S.I. 1999/881), **reg. 11(2)**

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## 552B Duties of overseas insurers' tax representatives.

- (1) It shall be the duty of an overseas insurer's tax representative to secure (where appropriate by acting on the overseas insurer's behalf) that the relevant duties are discharged by or on behalf of the overseas insurer.
- [<sup>F1714</sup>(2) For the purposes of this section "the relevant duties" are—
- (a) the duties imposed by section 552,
  - (b) the duties imposed by section 552ZA(2), (4) or (5), <sup>F1715</sup> . . .
  - (c) any duties imposed by regulations made under subsection (6) of section 552ZA by virtue of subsection (7) of that section, [<sup>F1716</sup>and
  - (d) any duties imposed by regulations under section 552ZB,]
- so far as relating to relevant insurances under which the overseas insurer in question has any obligations.]
- (3) An overseas insurer's tax representative shall be personally liable—
- (a) in respect of any failure to secure the discharge of the relevant duties, and
  - (b) in respect of anything done for purposes connected with acting on the overseas insurer's behalf,
- as if the relevant duties were imposed jointly and severally on the tax representative and the overseas insurer.
- (4) In the application of this section in relation to any particular tax representative, it is immaterial whether any particular relevant duty arose before or after his appointment.
- (5) This section has effect in relation to relevant duties relating to chargeable events happening on or after the day by which section 552A(6) requires the nomination of the overseas insurer's first tax representative to be made.
- [ In subsection (5) "chargeable event" has the same meaning as in section 552 (see <sup>F1717</sup>(5A) subsection (10) of that section).]
- (6) Expressions used in this section and in section 552A have the same meaning in this section as they have in that section.]

### Textual Amendments

**F1705**Ss. 552A, 552B inserted (31.7.1998) by [Finance Act 1998 \(c. 36\), s. 87](#)

**F1714**S. 552B(2) substituted (with effect in accordance with s. 83(3) of the amending Act) by [Finance Act 2001 \(c. 9\), Sch. 28 para. 19](#)

**F1715**Word in s. 552B(2) omitted (17.7.2013) by virtue of [Finance Act 2013 \(c. 29\), Sch. 9 para. 11\(a\)](#)

**F1716**S. 552B(2)(d) and preceding word inserted (17.7.2013) by [Finance Act 2013 \(c. 29\), Sch. 9 para. 11\(b\)](#)

**F1717**S. 552B(5A) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 225](#) (with Sch. 2)

## 553 Non-resident policies and off-shore capital redemption policies.

<sup>F1718</sup> . . . . .

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**Textual Amendments**

**F1718**Ss. 553-553C omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 7](#)

[<sup>F1719</sup>**553**~~O~~**verseas life assurance business: life policies.**

**F1720** . . . . . ]

**Textual Amendments**

**F1719**S. 553A inserted (31.7.1998) by [Finance Act 1998 \(c. 36\)](#), [s. 88\(1\)](#)

**F1720**Ss. 553-553C omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 7](#)

[<sup>F1721</sup>**553**~~D~~**verseas life assurance business: capital redemption policies.**

**F1722** . . . . . ]

**Textual Amendments**

**F1721**S. 553B inserted (31.7.1998) by [Finance Act 1998 \(c. 36\)](#), [s. 88\(2\)](#)

**F1722**Ss. 553-553C omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 7](#)

[<sup>F1723</sup>**553**~~P~~**ersonal portfolio bonds.**

**F1724** . . . . . ]

**Textual Amendments**

**F1723**S. 553C inserted (31.7.1998) by [Finance Act 1998 \(c. 36\)](#), [s. 89](#)

**F1724**Ss. 553-553C omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 7](#)

**554 Borrowings on life policies to be treated as income in certain cases.**

**F1725** . . . . .

**Textual Amendments**

**F1725**S. 554 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 229](#), [Sch. 3](#) (with [Sch. 2](#))

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## CHAPTER III

### ENTERTAINERS AND SPORTSMEN

#### 555 Payment of tax.

F1726 .....

##### Textual Amendments

**F1726S. 555** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 113](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### 556 Activity treated as trade etc. and attribution of income.

F1727 .....

##### Textual Amendments

**F1727S. 556** omitted (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by virtue of [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 186](#) (with [Sch. 2 Pts. 1, 2](#))

#### 557 Charge on [<sup>F1728</sup>profits].

F1729 .....

##### Textual Amendments

**F1728** Word in [s. 557](#) sidenote substituted (31.7.1998) by [Finance Act 1998 \(c. 36\)](#), [s. 46\(3\)\(a\)](#), [Sch. 7 para. 1](#)

**F1729S. 557** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 231](#), [Sch. 3](#) (with [Sch. 2](#))

#### 558 Supplementary provisions.

- (1) <sup>F1730</sup> .....
- (2) <sup>F1730</sup> .....
- (3) <sup>F1730</sup> .....
- (4) <sup>F1730</sup> .....
- (5) <sup>F1731</sup> .....
- (6) <sup>F1731</sup> .....

##### Textual Amendments

**F1730S. 558(1)-(4)** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 115](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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**F1731**S. 558(5)(6) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 187, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

## CHAPTER IV

### SUB-CONTRACTORS IN THE CONSTRUCTION INDUSTRY

#### **559 Deductions on account of tax etc. from payments to certain sub-contractors.**

**F1732** .....

##### **Textual Amendments**

**F1732**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

#### **[<sup>F1733</sup>559A Treatment of sums deducted under s.559**

**F1734** ..... ]

##### **Textual Amendments**

**F1733**S. 559A inserted (with effect in accordance with s. 40(4) of the amending Act) by Finance Act 2002 (c. 23), **s. 40(1)**

**F1734**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

#### **560 Persons who are sub-contractors or contractors for purposes of Chapter IV.**

**F1735** .....

##### **Textual Amendments**

**F1735**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

#### **561 Exceptions from section 559.**

**F1736** .....

##### **Textual Amendments**

**F1736**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

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## 562 Conditions to be satisfied by individuals.

F1737 .....

### Textual Amendments

**F1737**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

## 563 Conditions to be satisfied by partners who are individuals.

F1738 .....

### Textual Amendments

**F1738**S. 563 repealed (with effect in accordance with Sch. 27 para. 8(1), Sch. 29 Pt. 8(21) Note 3 of the repealing Act) by Finance Act 1995 (c. 4), Sch. 27 para. 5, **Sch. 29 Pt. 8(21)**; S.I. 1998/2620, **art. 3**

## 564 Conditions to be satisfied by firms.

F1739 .....

### Textual Amendments

**F1739**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

## 565 Conditions to be satisfied by companies.

F1740 .....

### Textual Amendments

**F1740**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

## 566 General powers to make regulations under Chapter IV.

F1741 .....

### Textual Amendments

**F1741**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

## 567 Meaning of “construction operations”.

F1742 .....

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### Textual Amendments

**F1742**Pt. 13 Ch. 4 (ss. 559-567) repealed (with effect in accordance with s. 77 of the repealing Act) by Finance Act 2004 (c. 12), Sch. 12 para. 9(2), **Sch. 42 Pt. 2(7)**, Note; S.I. 2006/3240, **art. 2**

## CHAPTER V

### SCHEMES FOR RATIONALIZING INDUSTRY

#### 568 Deductions from profits of contributions paid under certified schemes.

- <sup>M74</sup>(1) Notwithstanding anything contained in <sup>F1743</sup>... [<sup>F1744</sup>section 33 of ITTOIA 2005] [<sup>F1745</sup>or section 53 of CTA 2009 (no deduction for capital expenditure)] but subject to the following provisions of this Chapter, where a person pays, wholly and exclusively for the purposes of a trade in respect of which he is chargeable [<sup>F1746</sup>under Part 2 of ITTOIA 2005 or Part 3 of CTA 2009,] a contribution in furtherance of a scheme which is for the time being certified by the Secretary of State under this section, the contribution shall, in so far as it is paid in furtherance of the primary object of the scheme, be allowed to be deducted as an expense in computing the [<sup>F1747</sup>profits] of that trade.
- (2) The Secretary of State shall certify a scheme under this section if he is satisfied—
- that the primary object of the scheme is the elimination of redundant works or machinery or plant from use in an industry in the United Kingdom; and
  - that the scheme is in the national interest and in the interests of that industry as a whole; and
  - that such number of persons engaged in that industry as are substantially representative of the industry are liable to pay contributions in furtherance of the primary object of the scheme by agreement between them and the body of persons carrying out the scheme.

References in this subsection to an industry in the United Kingdom shall include references to the business carried on by owners of ships or of a particular class of ships, wherever that business is carried on, and, in relation to that business, references in this subsection to works or machinery or plant shall include references to ships.

- (3) The Secretary of State shall cancel any certificate granted under this section if he ceases to be satisfied as to any of the matters referred to in subsection (2) above.
- (4) The Secretary of State may at any time require the body of persons carrying out a scheme certified under this section to produce any books or documents of whatever nature relating to the scheme and, if the requirement is not complied with, he may cancel the certificate.
- (5) In this section and in section 569 “contribution”, in relation to a scheme, does not include a sum paid by a person by way of loan or subscription of share capital, or in consideration of the transfer of assets to him, or by way of a penalty for contravening or failing to comply with the scheme.

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### Textual Amendments

- F1743** Words in s. 568(1) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 188(a), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F1744** Words in s. 568(1) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 232(a)** (with Sch. 2)
- F1745** Words in s. 568(1) inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 188(b)** (with Sch. 2 Pts. 1, 2)
- F1746** Words in s. 568(1) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 188(c)** (with Sch. 2 Pts. 1, 2)
- F1747** Words in s. 568(1) substituted (31.7.1998) by Finance Act 1998 (c. 36), s. 46(3)(a), **Sch. 7 para. 1**

### Marginal Citations

**M74** Source-1970 s.406

## 569 Repayment of contributions.

- <sup>M75</sup>(1) In the event of the repayment, whether directly or by way of distribution of assets on a winding up or otherwise, of a contribution or any part of a contribution which has been allowed to be deducted under section 568, the deduction of the contribution, or so much of it as has been repaid, shall be deemed to be an unauthorised deduction in respect of which an assessment shall be made, and, notwithstanding the provisions of the Tax Acts requiring assessments to be made within six years after the end of the chargeable period to which they relate, any such assessment and any consequential assessment may be made at any time within three years after the end of the chargeable period in which the repayment was made.
- (2) For the purposes of this section, a sum received by any person by way of repayment of contributions shall be deemed to be by way of repayment of the last contribution paid by him, and, if the sum exceeds the amount of that contribution, by way of repayment of the penultimate contribution so paid, and so on.

### Marginal Citations

**M75** Source-1970 s.407; 1971 Sch.6 45

## 570 Payments under certified schemes which are not repayments of contributions.

- <sup>M76</sup>(1) Subject to the provisions of this section, where, under any scheme which is for the time being certified or has at any time been certified by the Secretary of State under section 568, any payment (not being a payment made by way of repayment of contributions) is made to a person carrying on a trade to which the scheme relates, that payment shall be treated for the purposes of the Tax Acts as a trading receipt of the trade, and shall accordingly be taken into account in computing the [<sup>F1748</sup>profits] of the trade for those purposes.
- (2) Where <sup>F1749</sup> . . . the payments which have been made under such a scheme in respect of a trade (not being payments made by way of repayment of contributions) have been made wholly or partly in respect of damage in respect of which no relief may be given under the Tax Acts, [<sup>F1750</sup>and a claim is made to that effect,] then, subject to and in accordance with the provisions of [<sup>F1751</sup>Schedule 21]—



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- (a) relief shall be given in respect of those payments by reducing the amounts which are to be treated as trading receipts of the trade under subsection (1) above; but
  - (b) where such relief is given, section 568 shall, in relation to contributions subsequently paid under the scheme in respect of the trade, have effect subject to the modifications specified in Part III of that Schedule,  
[<sup>F1752</sup>and paragraph 6 of that Schedule applies for the purposes of this subsection as it applies for the purposes of that Schedule.]
- (3) The provisions of this section and Schedule 21 shall apply in relation to any payment made to a person who has ceased to carry on a trade to which any such scheme as is mentioned in subsection (1) above relates as they apply in relation to payments made to a person carrying on such a trade, subject to the modification that so much of that payment as falls to be treated as a trading receipt by virtue of those provisions shall be deemed for the purposes of those provisions to have been made to him on the last day on which he was engaged in carrying on the trade.
- (4) In determining for the purposes of this section and of Schedule 21—
- (a) whether any trade has ceased to be carried on; or
  - (b) whether any contribution is paid in respect of a trade in respect of which a payment has been made; or
  - (c) whether any payment is made in respect of a trade in respect of which a contribution has been paid,
- no regard shall be had to any event which, by virtue of [<sup>F1753</sup>section 18 of ITTOIA 2005 or section 41 of CTA 2009 (company starting or ceasing to be within charge to corporation tax) is to be treated as effecting a cessation of trading.]

#### Textual Amendments

- F1748** Words in s. 570(1) substituted (31.7.1998) by [Finance Act 1998 \(c. 36\), s. 46\(3\)\(a\), Sch. 7 para. 1](#)
- F1749** Words in s. 570(2) repealed (with effect in accordance with s. 134(2) of the repealing Act) by [Finance Act 1996 \(c. 8\), Sch. 20 para. 31\(a\), Sch. 41 Pt. 5\(10\)](#), Note
- F1750** Words in s. 570(2) inserted (with effect in accordance with s. 134(2) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 20 para. 31\(b\)](#)
- F1751** Words in s. 570(2) substituted (with effect in accordance with s. 134(2) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 20 para. 31\(c\)](#)
- F1752** Words in s. 570(2) added (with effect in accordance with s. 134(2) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 20 para. 31\(d\)](#)
- F1753** Words in s. 570(4) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 189](#) (with [Sch. 2 Pts. 1, 2](#))

#### Marginal Citations

- M76** Source-1970 s.408

## 571 Cancellation of certificates.

- <sup>M77</sup>(1) Where any certificate granted with respect to a scheme under section 568 is cancelled by the Secretary of State, and any deductible contributions paid in furtherance of the scheme have not been repaid at the expiration of one year from the cancellation, the body of persons carrying out the scheme shall, for the chargeable period in which that

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year expires, be charged to tax <sup>F1754</sup> . . . upon the aggregate amount of the deductible contributions which have not been repaid at that time.

[<sup>F1755</sup>(1A) An amount charged to income tax under subsection (1) above is treated for income tax purposes as an amount of income.]

[<sup>F1756</sup>(1B) So far as relating to corporation tax, the charge to tax under subsection (1) has effect as an application of the charge to corporation tax on income.]

(2) The charge to tax under subsection (1) above shall not be made if the total amount of any contributions, other than deductible contributions, which have been paid under the scheme and have not been repaid before that time is greater than the available resources of the scheme, and shall not in any case be made upon an amount greater than the excess, if any, of those resources over that total amount.

(3) In subsection (2) above “the available resources”, in relation to any scheme, means a sum representing the total funds held for the purposes of the scheme at the expiration of one year from the cancellation of the certificate plus a sum representing any funds held for the purposes of the scheme which, during that year, have been applied otherwise than in accordance with the provisions of the scheme as in force when the certificate was granted.

(4) Where the body of persons carrying out a scheme are charged to tax by virtue of subsection (1) above, and, after the expiration of one year from the cancellation of the certificate, any deductible contribution paid in furtherance of the scheme is repaid, the amount upon which the charge is made shall on the making of a claim be reduced by the amount repaid, and all such repayments of tax shall be made as are necessary to give effect to the provisions of this subsection.

(5) In this section “contribution” includes a part of a contribution, and “deductible contribution” means a contribution allowed to be deducted under section 568, any reduction under Part III of Schedule 21 being left out of account.

(6) For the purposes of this section, a sum received by any person by way of repayment of contributions shall be deemed to be by way of repayment of the last contribution paid by him, and, if the sum exceeds the amount of that contribution, by way of repayment of the penultimate contribution so paid, and so on.

#### Textual Amendments

**F1754** Words in s. 571(1) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 190(2), Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**F1755S.** 571(1A) inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 116 (with Sch. 2)

**F1756S.** 571(1B) inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 190(3) (with Sch. 2 Pts. 1, 2)

#### Marginal Citations

**M77** Source-1970 s.409

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## 572 Application to statutory redundancy schemes.

- <sup>M78</sup>(1) Sections 569 to 571 and Schedule 21 shall, subject to the adaptations specified in subsection (2) below, apply in relation to a statutory redundancy scheme as they apply in relation to a scheme certified under section 568.
- (2) The adaptations referred to above are as follows, that is to say—
- (a) for any reference to a contribution allowed to be deducted under section 568 there shall be substituted a reference to a contribution allowed to be deducted under any provision of the Tax Acts other than that section;
  - (b) any provision that section 568 shall, in relation to contributions, have effect subject to modifications, shall be construed as a provision that so much of any provision of the Tax Acts other than that section as authorises the deduction of contributions shall, in relation to the contributions in question, have effect subject to the modifications in question;
  - (c) for any reference to the cancellation of a certificate with respect to a scheme there shall be substituted a reference to the scheme ceasing to have effect; and
  - (d) for any reference to the provisions of the scheme as in force when the certificate was granted there shall be substituted a reference to the provisions of the scheme as in force when the contributions were first paid thereunder.
- (3) In this section “statutory redundancy scheme” means a scheme for the elimination or reduction of redundant works, machinery or plant, or for other similar purposes, to which effect is given by or under any Act, whether passed before or after this Act.

### Marginal Citations

**M78** Source-1970 s.410

## [<sup>F1757</sup> CHAPTER 5A

### SHARE LOSS RELIEF

### Textual Amendments

**F1757**Pt. 13 Ch. 5A created (6.4.2007 with effect in accordance with s. 1034(1) of the affecting Act) by virtue of [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 117\(3\)](#) (with [Sch. 2](#))

### *Relief for losses on unquoted shares in trading companies*

## 573 Relief for companies.

<sup>F1758</sup>  
.....

### Textual Amendments

**F1758**Pt. 13 Ch. 5A (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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

**C32** *S. 573* transposed from Pt. 13 Ch. 6 to Pt. 13 Ch. 5A (6.4.2007 with effect in accordance with s. 1034(1) of the affecting Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 117\(3\)](#) (with [Sch. 2](#))

**575 Exclusion of relief under section 573<sup>F1759</sup> . . . in certain cases.**

**F1760**  
 . . . . .

**Textual Amendments**

**F1759** Words in *s. 575* sidenote repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 119\(2\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**F1760** *Pt. 13 Ch. 5A* (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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

**C33** *S. 575* transposed from Pt. 13 Ch. 6 to Pt. 13 Ch. 5A (6.4.2007 with effect in accordance with s. 1034(1) of the affecting Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 119\(7\)](#) (with [Sch. 2](#))

**576 Provisions supplementary to [<sup>F1761</sup>sections 573 and 575].**

**F1762**  
 . . . . .

**Textual Amendments**

**F1761** Words in *s. 576* sidenote substituted (6.4.2007 with effect in accordance with *s. 1034(1)* of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 120\(2\)](#) (with [Sch. 2](#))

**F1762** *Pt. 13 Ch. 5A* (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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

**C34** *S. 576* transposed from Pt. 13 Ch. 6 to Pt. 13 Ch. 5A (6.4.2007 with effect in accordance with s. 1034(1) of the affecting Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 120\(7\)](#) (with [Sch. 2](#))

**[<sup>F1763</sup>576A<sup>F1764</sup> Qualifying trading companies**

**]**  
 . . . . .

**Textual Amendments**

**F1763** *S. 576A* inserted (6.4.2007 with effect in accordance with *s. 1034(1)* of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 121](#) (with [Sch. 2](#))

**F1764** *Pt. 13 Ch. 5A* (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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### <sup>F1765</sup>Qualifying trading companies: the requirements

#### Textual Amendments

**F1765S. 576B** and preceding cross-heading inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 122](#) (with [Sch. 2](#))

### **576B The trading requirement**

<sup>F1766</sup> .....

#### Textual Amendments

**F1766Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### <sup>F1767</sup>**576C** Ceasing to meet the trading requirement because of administration or receivership

<sup>F1768</sup> .....

#### Textual Amendments

**F1767S. 576C** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 123](#) (with [Sch. 2](#))

**F1768Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### <sup>F1769</sup>**576D** The control and independence requirement

<sup>F1770</sup> .....

#### Textual Amendments

**F1769S. 576D** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 124](#) (with [Sch. 2](#))

**F1770Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 88](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### <sup>F1771</sup>**576E** The qualifying subsidiaries requirement

<sup>F1772</sup> .....

#### Textual Amendments

**F1771S. 576E** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 125](#) (with [Sch. 2](#))

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**F1772Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 88, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[ **F1773 576F** **The property managing subsidiaries requirement**  
 F1774 ..... ]

**Textual Amendments**

**F1773S. 576F** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 126](#) (with [Sch. 2](#))

**F1774Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 88, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[ **F1775 576G** **The gross assets requirement**  
 F1776 ..... ]

**Textual Amendments**

**F1775S. 576G** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 127](#) (with [Sch. 2](#))

**F1776Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 88, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[ **F1777 576H** **The unquoted status requirement**  
 F1778 ..... ]

**Textual Amendments**

**F1777S. 576H** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 128](#) (with [Sch. 2](#))

**F1778Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 88, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[ **F1779 576I** **Power to amend requirements by Treasury order**  
 F1780 ..... ]]

**Textual Amendments**

**F1779S. 576I** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 129](#) (with [Sch. 2](#))

**F1780Pt. 13 Ch. 5A** (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 88, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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*[<sup>F1781</sup>Qualifying trading companies: supplementary provisions*

**Textual Amendments**

**F1781**S. 576J and preceding cross-heading inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 130** (with [Sch. 2](#))

**576J Relief after an exchange of shares for shares in another company**

**F1782** .....

**Textual Amendments**

**F1782**Pt. 13 Ch. 5A (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 88**, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**[<sup>F1783</sup>Substitution of new shares for old shares**

**<sup>F1784</sup>576K** .....

**Textual Amendments**

**F1783**S. 576K inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 131** (with [Sch. 2](#))  
**F1784**Pt. 13 Ch. 5A (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 88**, **Sch. 3 Pt. 1** (with [Sch. 2](#))

*[<sup>F1785</sup>Supplemental*

**Textual Amendments**

**F1785**S. 576L and preceding cross-heading inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 132** (with [Sch. 2](#))

**576L Interpretation of Chapter**

**F1786** .....

**Textual Amendments**

**F1786**Pt. 13 Ch. 5A (ss. 573, 575-576L) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 88**, **Sch. 3 Pt. 1** (with [Sch. 2](#))

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## CHAPTER VI

### OTHER PROVISIONS

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

**C35** Pt 13 Ch. 6: ss. 573, 575 and 576 transposed to Pt. 13 Ch. 5A (6.4.2007 with effect in accordance with s. 1034(1) of the affecting Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 paras. 117\(3\), 119\(7\), 120\(7\)](#) (with [Sch. 2](#))

#### *Relief for losses on unquoted shares in trading companies*

#### 574 Relief for individuals.

F1787 .....

#### Textual Amendments

**F1787S. 574** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 118](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

#### *Miscellaneous*

#### 577 Business entertaining expenses.

F1788 .....

#### Textual Amendments

**F1788S. 577** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 191](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

#### [<sup>F1789</sup>577] Expenditure involving crime.

F1790 .....]

#### Textual Amendments

**F1789S. 577A** inserted (with application in accordance with s. 123(2) of the amending Act) by [Finance Act 1993 \(c. 34\)](#), [s. 123\(1\)\(2\)](#)

**F1790S. 577A** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 192](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

#### 578 Housing grants.

F1791 .....



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**Textual Amendments**

**F1791**S. 578 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 193, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

[<sup>F1792</sup>**578A Expenditure on car hire**

F1793 .....

**Textual Amendments**

**F1792**Ss. 578A, 578B inserted (with effect in accordance with s. 579 of the amending Act) by Capital Allowances Act 2001 (c. 2), **Sch. 2 para. 52** (with Sch. 3 para. 113)

**F1793**Ss. 578A, 578B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 194, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**578B Expenditure on car hire: supplementary**

F1794 .....

**Textual Amendments**

**F1792**Ss. 578A, 578B inserted (with effect in accordance with s. 579 of the amending Act) by Capital Allowances Act 2001 (c. 2), **Sch. 2 para. 52** (with Sch. 3 para. 113)

**F1794**Ss. 578A, 578B repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 194, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**579 Statutory redundancy payments.**

F1795 .....

**Textual Amendments**

**F1795**Ss. 579, 580 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 195, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**580 Provisions supplementary to section 579.**

F1796 .....

**Textual Amendments**

**F1796**Ss. 579, 580 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 195, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

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**[<sup>F1797</sup>580A Relief from tax on annual payments under certain insurance policies.**

<sup>F1798</sup> .....

**Textual Amendments**  
**F1797Ss. 580A, 580B** inserted (with effect in accordance with s. 143(2)-(5) of the amending Act) by Finance Act 1996 (c. 8), s. 143(1)  
**F1798Ss. 580A-580C** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 240, Sch. 3 (with Sch. 2)

**580B Meaning of “self-contained” for the purposes of s.580A.**

<sup>F1799</sup> ..... ]

**Textual Amendments**  
**F1797Ss. 580A, 580B** inserted (with effect in accordance with s. 143(2)-(5) of the amending Act) by Finance Act 1996 (c. 8), s. 143(1)  
**F1799Ss. 580A-580C** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 240, Sch. 3 (with Sch. 2)

**[<sup>F1800</sup>580B Relief from tax on annual payments under immediate needs annuities**

<sup>F1801</sup> ..... ]

**Textual Amendments**  
**F1800S. 580C** inserted (with effect in accordance with s. 147(6) of the amending Act) by Finance Act 2004 (c. 12), s. 147(3)  
**F1801Ss. 580A-580C** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 240, Sch. 3 (with Sch. 2)

**581 Borrowing in foreign currency by local authorities and statutory corporations.**

<sup>F1802</sup> .....

**Textual Amendments**  
**F1802S. 581** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 241, Sch. 3 (with Sch. 2)

**[<sup>F1803</sup>581A Interest on foreign currency securities etc.**

<sup>F1804</sup> ..... ]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1803S. 581A** inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 242](#) (with [Sch. 2](#))

**F1804S. 581A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 133](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**582 Funding bonds issued in respect of interest on certain debts.**

**F1805** .....

**Textual Amendments**

**F1805S. 582** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 196](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

[<sup>F1806</sup>**582A Designated international organisations: miscellaneous exemptions.**

**F1807** .....]

**Textual Amendments**

**F1806S. 582A** inserted by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), [s. 118\(1\)](#)

**F1807S. 582A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 135](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**583 Inter-American Development Bank.**

**F1808** .....

**Textual Amendments**

**F1808S. 583** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 244](#), [Sch. 3](#) (with [Sch. 2](#))

**584 Relief for unremittable overseas income**

**F1809** .....

**Textual Amendments**

**F1809S. 584** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 197](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**585 Relief from tax on delayed remittances.**

**F1810** .....

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#### Textual Amendments

**F1810S. 585** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 246, Sch. 3](#) (with Sch. 2)

### 586 Disallowance of deductions for war risk premiums.

F1811 .....

#### Textual Amendments

**F1811Ss. 586, 587** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 198, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

### 587 Disallowance of certain payments in respect of war injuries to employees.

F1812 .....

#### Textual Amendments

**F1812Ss. 586, 587** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 198, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

### [<sup>F1813</sup>587A] **New issues of securities: extra return.**

F1814 .....]

#### Textual Amendments

**F1813S. 587A** inserted by [Finance Act 1991 \(c. 31, SIF 63:1\), s. 54, Sch. 12 para. 1](#) (with application as referred to in Sch. 12 para. 5 of that Act)

**F1814S. 587A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 136, Sch. 3 Pt. 1](#) (with Sch. 2)

### [<sup>F1815</sup>587B<sup>F1816</sup> Gifts of shares, securities and real property to charities etc]

F1817 .....]

#### Textual Amendments

**F1815S. 587B** inserted (with effect in accordance with s. 43(3) of the amending Act) by [Finance Act 2000 \(c. 17\), s. 43\(1\)](#)

**F1816S. 587B** sidenote substituted (with effect in accordance with s. 97(6) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 97\(4\)](#)

**F1817S. 587B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 89, Sch. 3 Pt. 1](#) (with Sch. 2)

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[<sup>F1818</sup>**587BA** **Qualifying interests in land held jointly**

F1819 ..... ]

**Textual Amendments**

**F1818S. 587BA** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 138** (with Sch. 2)

**F1819S. 587BA** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 90**, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F1820</sup>**587C** **Supplementary provision for gifts of real property**

F1821 ..... ]

**Textual Amendments**

**F1820S. 587C** inserted (with effect in accordance with s. 97(6) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), **s. 97(5)**

**F1821S. 587C** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), **Sch. 1 para. 91**, **Sch. 3 Pt. 1** (with Sch. 2)

**588 Training courses for employees.**

F1822 ..... ]

**Textual Amendments**

**F1822S. 588** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), **Sch. 1 para. 200**, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**589 Qualifying courses of training etc.**

F1823 ..... ]

**Textual Amendments**

**F1823S. 589** repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), **Sch. 6 para. 68**, **Sch. 8 Pt. 1** (with Sch. 7)

[<sup>F1824</sup>**589A** **Counselling services for employees.**

F1825 ..... ]

**Textual Amendments**

**F1824Ss. 589A, 589B** inserted (27.7.1993) by [Finance Act 1993 \(c. 34\)](#), **s. 108**

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**F1825S. 589A** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 201, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**F1826S. 589B Qualifying counselling services etc.**

- (1) <sup>F1827</sup> .....
- (2) <sup>F1827</sup> .....
- (3) <sup>F1827</sup> .....
- [<sup>F1828</sup>(4) <sup>F1827</sup> .....
- (4A) <sup>F1827</sup> .....]
- (5) <sup>F1829</sup> .....

**Textual Amendments**

- F1826Ss. 589A, 589B** inserted (27.7.1993) by Finance Act 1993 (c. 34), **s. 108**
- F1827S. 589B(1)-(4A)** repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 70(2), **Sch. 8 Pt. 1** (with Sch. 7)
- F1828S. 589B(4)(4A)** substituted for s. 589B(4) (with effect in accordance with s. 57(4) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 12 Pt. 2 para. 13**
- F1829S. 589B(5)** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 202, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

**PART XIV**

PENSION SCHEMES, SOCIAL SECURITY BENEFITS, LIFE ANNUITIES ETC.

**CHAPTER I**

RETIREMENT BENEFIT SCHEMES

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

- C36 Pt. 14 Ch. 1** (ss. 590-612) modified (31.3.1995) by Judicial Pensions and Retirement Act 1993 (c. 8), **ss. 18, 19(4), 31(2)**; S.I. 1995/631, **art. 2**

*Approval of schemes*

**590 Conditions for approval of retirement benefit schemes.**

<sup>F1830</sup> .....

**Textual Amendments**

- F1830Ss. 590-594** repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

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[<sup>F1831</sup>**Section 590: supplementary provisions.**

F1832 ..... ]

**Textual Amendments**

F1831Ss. 590A-590C inserted by Finance Act 1989 (c. 26), s. 75, Sch. 6 paras. 4, **18(4)**

F1832Ss. 590-594 repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

[<sup>F1833</sup>**Section 590: further supplementary provisions.**

F1834 ..... ]

**Textual Amendments**

F1833Ss. 590A-590C inserted by Finance Act 1989 (c. 26), s. 75, Sch. 6 paras. 4, **18(4)**

F1834Ss. 590-594 repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

[<sup>F1835</sup>**Section 590: Earnings cap.**

F1836 ..... ]

**Textual Amendments**

F1835Ss. 590A-590C inserted by Finance Act 1989 (c. 26), s. 75, Sch. 6 paras. 4, **18(4)**

F1836Ss. 590-594 repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**591 Discretionary approval.**

F1837 ..... ]

**Textual Amendments**

F1837Ss. 590-594 repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

[<sup>F1838</sup>**Section 591: Effect on approved schemes of regulations under section 591.**

F1839 ..... ]

**Textual Amendments**

F1838S. 591A inserted by Finance Act 1991 (c. 31), **s.35**

F1839Ss. 590-594 repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

[<sup>F1840</sup>**Section 591: Cessation of approval: general provisions.**

F1841 ..... ]

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**Textual Amendments**

- F1840S. 591B inserted (retrospectively) by [Finance Act 1991 \(c. 31\), s. 36\(1\)\(3\)](#)
- F1841Ss. 590-594 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

**[<sup>F1842</sup>591C** Cessation of approval: tax on certain schemes.

F1843 . . . . .

**Textual Amendments**

- F1842Ss. 591C, 591D inserted (with effect in accordance with s. 61(3) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 61\(1\)](#)
- F1843Ss. 590-594 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

**591D Section 591C: supplementary.**

F1844 . . . . . ]

**Textual Amendments**

- F1842Ss. 591C, 591D inserted (with effect in accordance with s. 61(3) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 61\(1\)](#)
- F1844Ss. 590-594 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

*Tax reliefs*

**592 Exempt approved schemes.**

F1845 . . . . .

**Textual Amendments**

- F1845Ss. 590-594 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

**593 Relief by way of deductions from contributions.**

F1846 . . . . .

**Textual Amendments**

- F1846Ss. 590-594 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

**594 Exempt statutory schemes.**

F1847 . . . . .



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**Textual Amendments**

**F1847**Ss. 590-594 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

*Charge to tax in certain cases*

**595 Charge to tax in respect of certain sums paid by employer etc.**

**F1848** . . . . .

**Textual Amendments**

**F1848**Ss. 595, 596 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 74](#), [Sch. 8 Pt. 1](#) (with Sch. 7)

**596 Exceptions from section 595.**

**F1849** . . . . .

**Textual Amendments**

**F1849**Ss. 595, 596 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 74](#), [Sch. 8 Pt. 1](#) (with Sch. 7)

[<sup>F1850</sup>**596A Charge to tax: benefits under non-approved schemes.**

**F1851** . . . . .]

**Textual Amendments**

**F1850**Ss. 596A, 596B inserted (with effect in accordance with [Sch. 6 para. 18\(7\)](#) of the amending Act) by [Finance Act 1989 \(c. 26\)](#), [Sch. 6 para. 9](#)

**F1851**Ss. 596A-596C repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 75](#), [Sch. 8 Pt. 1](#) (with Sch. 7)

[<sup>F1852</sup>**596B Section 596A: supplementary provisions.**

**F1853** . . . . .]

**Textual Amendments**

**F1852**Ss. 596A, 596B inserted (with effect in accordance with [Sch. 6 para. 18\(7\)](#) of the amending Act) by [Finance Act 1989 \(c. 26\)](#), [Sch. 6 para. 9](#)

**F1853**Ss. 596A-596C repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 75](#), [Sch. 8 Pt. 1](#) (with Sch. 7)

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[<sup>F1854</sup>~~596~~ **Notional interest treated as paid if amount charged in respect of beneficial loan.**

F1855 ..... ]

**Textual Amendments**

**F1854S. 596C** inserted (with effect in accordance with s. 93(4) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), **s. 93(3)**

**F1855Ss. 596A-596C** repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 75](#), **Sch. 8 Pt. 1** (with [Sch. 7](#))

**597 Charge to tax: pensions.**

F1856 .....

**Textual Amendments**

**F1856S. 597** repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 76](#), **Sch. 8 Pt. 1** (with [Sch. 7](#))

**598 Charge to tax: repayment of employee's contributions.**

F1857 .....

**Textual Amendments**

**F1857Ss. 598-599A** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with [Sch. 36](#)) (with savings in [S.I. 2006/5072](#), **arts. 1(1)**, 38)

**599 Charge to tax: commutation of entire pension in special circumstances.**

F1858 .....

**Textual Amendments**

**F1858Ss. 598-599A** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with [Sch. 36](#)) (with savings in [S.I. 2006/5072](#), **arts. 1(1)**, 38)

[<sup>F1859</sup>~~599~~ **Charge to tax: payments out of surplus funds.**

F1860 ..... ]

**Textual Amendments**

**F1859S. 599A** inserted (with effect in accordance with [Sch. 6 para. 18\(9\)](#) of the amending Act) by [Finance Act 1989 \(c. 26\)](#), **Sch. 6 para. 12**

**F1860Ss. 598-599A** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with [Sch. 36](#)) (with savings in [S.I. 2006/5072](#), **arts. 1(1)**, 38)

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**600 Charge to tax: unauthorised payments to or for employees.**

F1861 .....

**Textual Amendments**

F1861S. 600 repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 78, **Sch. 8 Pt. 1** (with Sch. 7)

**601 Charge to tax: payments to employers.**

F1862 .....

**Textual Amendments**

F1862Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**602 Regulations relating to pension fund surpluses.**

F1863 .....

**Textual Amendments**

F1863Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**603 Reduction of surpluses.**

F1864 .....

**Textual Amendments**

F1864Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

*Supplementary provisions*

**604 Application for approval of a scheme.**

F1865 .....

**Textual Amendments**

F1865Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**605 Information.**

F1866 .....

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**Textual Amendments**

**F1866**Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

[<sup>F1867</sup> **605** ~~False statements etc.~~

**F1868** . . . . . ]

**Textual Amendments**

**F1867**S. 605A inserted (with application in accordance with s. 106(2) of the amending Act) by [Finance Act 1994 \(c. 9\)](#), [s. 106\(1\)](#)

**F1868**Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**606 Default of administrator etc.**

**F1869** . . . . .

**Textual Amendments**

**F1869**Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

[<sup>F1870</sup> **606** ~~Recourse to scheme members.~~

**F1871** . . . . . ]

**Textual Amendments**

**F1870**S. 606A inserted (with effect in accordance with Sch. 15 para. 6(2) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 15 para. 6\(1\)](#)

**F1871**Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**607 Pilots' benefit fund.**

**F1872** . . . . .

**Textual Amendments**

**F1872**Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**608 Superannuation funds approved before 6th April 1980.**

**F1873** . . . . .

**Textual Amendments**

**F1873**Ss. 601-612 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

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**609 Schemes approved before 23rd July 1987.**

F1874 .....

**Textual Amendments**

F1874Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

**610 Amendments of schemes.**

F1875 .....

**Textual Amendments**

F1875Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

**611 Definition of “retirement benefits scheme”.**

F1876 .....

**Textual Amendments**

F1876Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

[<sup>F1877</sup>**611A** Definition of relevant statutory scheme.

F1878 .....

**Textual Amendments**

F1877S. 611A inserted (14.3.1989) by Finance Act 1989 (c. 26), Sch. 6 paras. 15, 18(1)

F1878Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

[<sup>F1879</sup>**611AA** Definition of the administrator.

F1880 ..... ]

**Textual Amendments**

F1879S. 611AA inserted (with application in accordance with s. 103(3) of the amending Act) by Finance Act 1994 (c. 4), s. 103(1)

F1880Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

**611A Definition of relevant statutory scheme.**

F1878 ..... ]

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**Textual Amendments**

- F1877S. 611A inserted (14.3.1989) by Finance Act 1989 (c. 26), Sch. 6 paras. 15, 18(1)
- F1878Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

**612 Other interpretative provisions, and regulations for purposes of this Chapter.**

F1881 .....

**Textual Amendments**

- F1881Ss. 601-612 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

**CHAPTER II**

OTHER PENSION FUNDS AND SOCIAL  
 SECURITY BENEFITS AND CONTRIBUTIONS

**613 Parliamentary pension funds.**

[<sup>F1882</sup>(1) <sup>M79</sup>The salary of a Member of the House of Commons shall, for all the purposes of the Income Tax Acts, be treated as reduced by the amounts deducted in pursuance of section 1 of the <sup>M80</sup>House of Commons Members’ Fund Act 1939; but a Member shall not by reason of any such deduction be entitled to relief under any other provision of the Income Tax Acts.

(2) In subsection (1) above the reference to salary shall be construed as mentioned in subsection (3) of section 1 of the House of Commons Members’ Fund Act 1939, the reference to amounts deducted includes a reference to amounts required to be set aside under that subsection, and “deduction” shall be construed accordingly.]

(3) <sup>F1883</sup> .....

(4) <sup>M81</sup>The <sup>F1884</sup> . . . trustees of—

(a) the House of Commons Members’ Fund established under section 1 of that Act of 1939;

(b) <sup>F1885</sup> .....

[<sup>F1886</sup>(bb) <sup>F1885</sup> .....

(c) <sup>F1885</sup> .....

(d) <sup>F1885</sup> .....

shall be entitled to exemption from income tax in respect of all income derived from [<sup>F1887</sup>that Fund] or any investment of [<sup>F1887</sup>that Fund].

A claim under this subsection shall be made to the Board.

**Textual Amendments**

- F1882S. 613(1)(2) (which were repealed by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 83, Sch. 8 Pt. 1) restored (retrospectively) by Finance Act 2005 (c. 7), Sch. 10 para. 63

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- F1883**S. 613(3) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 83, Sch. 8 Pt. 1](#) (with Sch. 7)
- F1884**Word in s. 613(4) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), s. 284\(1\), Sch. 35 para. 26\(a\), Sch. 42 Pt. 3](#), Note (with Sch. 36)
- F1885**S. 613(4)(b)-(d) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), s. 284\(1\), Sch. 35 para. 26\(a\), Sch. 42 Pt. 3](#), Note (with Sch. 36)
- F1886**S. 613(4)(bb) inserted (with effect in accordance with s. 52(2) of the amending Act) by [Finance Act 1999 \(c. 16\), Sch. 5 para. 4](#)
- F1887**Words in s. 613(4) substituted (6.4.2006) by [Finance Act 2004 \(c. 12\), s. 284\(1\), Sch. 35 para. 26\(b\)](#) (with Sch. 36)

#### Marginal Citations

- M79** Source-1970 s.211(1), (4)
- M80** 1939 c. 49.
- M81** Source-1970 s.211(2) 1981 s.50(1); PPA 1987 Sch.3 2(1)

## 614 Exemptions and reliefs in respect of income from investments etc. of certain pension schemes.

- (1) <sup>F1888</sup> . . . . .
- (2) <sup>M82</sup> Any interest or dividends received by the person in whom is vested any of the Family Pension Funds mentioned in section 273 of the <sup>M83</sup>Government of India Act 1935, and having effect as a scheme made under section 2 of the <sup>M84</sup>Overseas Pensions Act 1973, on sums forming part of that fund shall be exempt from income tax.
- [<sup>F1889</sup>(2A) The reference in subsection (2) above to interest on sums forming part of a fund include references to any amount which is treated as income by virtue of [<sup>F1890</sup>Chapter 8 of Part 4 of ITTOIA 2005 (profits from deeply] discounted securities) and derives from any investment forming part of that fund.]
- (3) <sup>M85</sup> Income derived from investments or deposits of any fund referred to in [<sup>F1891</sup>section 648, 649, 650 or 651 of ITEPA 2003] shall not be charged to income tax, and any income tax deducted from any such income shall be repaid by the Board to the persons entitled to receive the income.
- (4) <sup>M86</sup> In respect of income derived from investments or deposits of the Overseas Service Pensions Fund established pursuant to section 7(1) of the <sup>M87</sup>Overseas Aid Act 1966, the Board shall give by way of repayment such relief from income tax as is necessary to secure that the income is exempt to the like extent (if any) as if it were income of a person [<sup>F1892</sup>not domiciled and not resident] in the United Kingdom.
- (5) <sup>M88</sup> In respect of dividends and other income derived from investments, deposits or other property of a superannuation fund to which section 615(3) applies the Board shall give by way of repayment such relief from income tax as is necessary to secure that the income is exempt to the like extent (if any) as if it were income of a person [<sup>F1893</sup>not domiciled and not resident] in the United Kingdom.
- (6) <sup>M89</sup> A claim under this section shall be made to the Board.

#### Textual Amendments

- F1888**S. 614(1) repealed (3.5.1994) by [Finance Act 1994 \(c. 9\), Sch. 26 Pt. 5\(22\)](#)

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- F1889**S. 614(2A) inserted (with effect in accordance with s. 105(1) of the amending Act) by **Finance Act 1996** (c. 8), **Sch. 14 para. 34** (with Sch. 15)
- F1890**Words in s. 614(2A) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by **Income Tax (Trading and Other Income) Act 2005** (c. 5), **Sch. 1 para. 261** (with Sch. 2)
- F1891**Words in s. 614(3) substituted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by **Income Tax (Earnings and Pensions) Act 2003** (c. 1), **Sch. 6 para. 84** (with Sch. 7)
- F1892**Words in s. 614(4) substituted (with effect in accordance with Sch. 46 para. 72 of the amending Act) by **Finance Act 2013** (c. 29), **Sch. 46 para. 28(a)**
- F1893**Words in s. 614(5) substituted (with effect in accordance with Sch. 46 para. 72 of the amending Act) by **Finance Act 2013** (c. 29), **Sch. 46 para. 28(b)**

#### Marginal Citations

- M82** Source-1970 s.213(1)
- M83** 1935 c. 2.
- M84** 1973 c. 21.
- M85** Source-1970 s.214(2), 216(2); 1973 s.53(1)
- M86** Source-1970 s.217(2), (4)
- M87** 1966 c. 21.
- M88** Source-1970 s.218(1)
- M89** Source-1970 s.212(3), 213(1), 214(3), 216(2), 217(2), 218(1); 1987 Sch.15 2(13)

## 615 Exemption from tax in respect of certain pensions.

- (1) <sup>F1894</sup> .....
- (2) <sup>F1894</sup> .....
- (3) <sup>M90</sup>Where an annuity is paid from a superannuation fund to which this subsection applies to a person who is not resident in the United Kingdom, income tax shall not be deducted from any payment of the annuity or accounted for under [<sup>F1895</sup>Chapter 6 of Part 15 of ITA 2007 (deduction from annual payments and patent royalties)] by the trustees or other persons having the control of the fund.
- (4) <sup>F1894</sup> .....
- (5) <sup>F1894</sup> .....
- (6) <sup>M91</sup>Subsection (3) above applies to any superannuation fund which—
- (a) is bona fide established under irrevocable trusts in connection with some trade or undertaking carried on wholly or partly outside the United Kingdom;
  - (b) has for its sole purpose [<sup>F1896</sup>(subject to any enactment or Northern Ireland legislation requiring or allowing provision for the value of any rights to be transferred between schemes or between members of the same scheme)] the provision of superannuation benefits in respect of persons' employment in the trade or undertaking wholly outside the United Kingdom; and
  - (c) is recognised by the employer and employed persons in the trade or undertaking;
- and for the purposes of this subsection duties performed in the United Kingdom the performance of which is merely incidental to the performance of other duties outside the United Kingdom shall be treated as performed outside the United Kingdom.
- (7) <sup>M92</sup>In this section—



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“pension” includes a gratuity or any sum payable on or in respect of death or, in the case of a pension falling within subsection (2)(g) above, ill-health, and a return of contributions with or without interest thereon or any other addition thereto;

“overseas territory” means any territory or country outside the United Kingdom;

“the Pensions (Increase) Acts” means the <sup>M93</sup>Pensions (Increase) Act 1971 and any Act passed after that Act for purposes corresponding to the purposes of that Act;

“United Kingdom trust territory” means a territory administered by the government of the United Kingdom under the trusteeship system of the United Nations.

(8) <sup>F1894</sup> .....

[<sup>F1897</sup>(9) For the purposes of this section, a person shall be taken to be employed in the public service of an overseas territory at any time when—

- (a) he is employed in any capacity under the government of that territory, or under any municipal or other local authority in it,
- (b) he is employed, in circumstances not falling within paragraph (a) above, by a body corporate established for any public purpose in that territory by an enactment of a legislature empowered to make laws for that territory, or
- (c) he is the holder of a public office in that territory in circumstances not falling within either paragraph (a) or (b).

(10) For the purposes of subsection (9), references to the government of an overseas territory include references to a government constituted for two or more overseas territories, and to any authority established for the purpose of providing or administering services which are common to, or relate to matters of common interest to, two or more such territories.]

#### Textual Amendments

**F1894**S. 615(1)(2)(4)(5)(8) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 85, Sch. 8 Pt. 1](#) (with [Sch. 7](#))

**F1895**Words in s. 615(3) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 140](#) (with [Sch. 2](#))

**F1896**Words in s. 615(6)(b) inserted (27.7.1999) by [Finance Act 1999 \(c. 16\), Sch. 10 para. 11](#)

**F1897**S. 615(9)(10) inserted (17.6.2002) by [International Development Act 2002 \(c. 1\), s. 20\(2\), Sch. 3 para. 9\(3\)](#) (with [Sch. 5](#)); [S.I. 2002/1408, art. 2](#)

#### Marginal Citations

**M90** Source-1970 s.218(3)

**M91** Source-1970 s.218(4)

**M92** Source-1970 s.214(5), 215(3), 216(4), 217(4)

**M93** 1971 c. 56.

## 616 Other overseas pensions.

<sup>F1898</sup> .....

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#### Textual Amendments

**F1898S. 616** repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 86, **Sch. 8 Pt. 1** (with Sch. 7)

### 617 Social security benefits and contributions.

**F1899** .....

#### Textual Amendments

**F1899S. 617** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), Sch. 1 para. 203, **Sch. 3 Pt. 1** (with Sch. 2 Pts 1, 2)

### [<sup>F1900</sup>617A Tax credits under Part 1 of Tax Credits Act 2002

**F1901** .....]

#### Textual Amendments

**F1900S. 617A** inserted (prosp.) by [Tax Credits Act 2002 \(c. 21\)](#), s. 61, **Sch. 3 para. 14** (the insertion being brought into force at 6.4.2003 by [S.I. 2003/962](#), **art. 2(3)(d)(iii)**)

**F1901S. 617A** repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), Sch. 6 para. 88, **Sch. 8 Pt. 1** (with Sch. 7)

## CHAPTER III

### RETIREMENT ANNUITIES

### 618 Termination of relief under this Chapter, and transitional provisions.

**F1902** .....

#### Textual Amendments

**F1902Ss. 618-626** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

### 619 Exemption from tax in respect of qualifying premiums.

**F1903** .....

#### Textual Amendments

**F1903Ss. 618-626** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

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## 620 Qualifying premiums.

F1904 .....

### Textual Amendments

F1904Ss. 618-626 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 621 Other approved contracts.

F1905 .....

### Textual Amendments

F1905Ss. 618-626 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 622 Substituted retirement annuity contracts.

F1906 .....

### Textual Amendments

F1906Ss. 618-626 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 623 Relevant earnings.

F1907 .....

### Textual Amendments

F1907Ss. 618-626 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 624 Sponsored superannuation schemes and controlling directors.

F1908 .....

### Textual Amendments

F1908Ss. 618-626 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 625 Carry-forward of unused relief under section 619.

F1909 .....

### Textual Amendments

F1909Ss. 618-626 repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

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## 626 Modification of section 619 in relation to persons over 50.

F1910

### Textual Amendments

F1910 Ss. 618-626 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## F1911 627 Lloyd’s underwriters.

### Textual Amendments

F1911 S. 627 repealed (with effect as mentioned in s. 228(4) of the repealing Act) by [Finance Act 1994 \(c. 9\)](#), s. 228(2)(a), [Sch. 26 Pt. 5\(25\)](#), Note 1

## 628 Partnership retirement annuities.

F1912

### Textual Amendments

F1912 S. 628 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## 629 Annuity premiums of Ministers and other officers.

<sup>M94</sup>(1) For the purposes of this Chapter so much of any salary which—

- (a) is payable to the holder of a qualifying office who is also a Member of the House of Commons, and
- (b) is payable for a period in respect of which the holder is not a participant in relation to that office in arrangements contained in the Parliamentary pension scheme but is a participant in relation to his membership of the House of Commons in any such arrangements, or for any part of such a period,

as is equal to the difference between a Member’s pensionable salary and the salary which (in accordance with any such resolution as is mentioned in subsection (3)(a) below) is payable to him as a Member holding that qualifying office shall be treated as remuneration from the office of Member and not from the qualifying office.

(2) In this section—

“Member’s pensionable salary” means a Member’s ordinary salary under any resolution of the House of Commons which, being framed otherwise than as an expression of opinion, is for the time being in force relating to the remuneration of Members or, if the resolution provides for a Member’s ordinary salary thereunder to be treated for pension purposes as being at a higher rate, a notional yearly salary at that higher rate;

“qualifying office” means an office mentioned in section 2(2)(b), (c) or (d) of the Parliamentary and other <sup>M95</sup>Pensions Act 1987;

“the Parliamentary pension scheme” has the same meaning as in that Act;

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and without prejudice to the power conferred by virtue of paragraph 13 of Schedule 1 to that Act, regulations under section 2 of that Act may make provision specifying the circumstances in which a person is to be regarded for the purposes of this section as being or not being a participant in relation to his Membership of the House of Commons, or in relation to any office, in arrangements contained in the Parliamentary pension scheme.

- (3) In subsection (2) above “a Member’s ordinary salary”, in relation to any resolution of the House of Commons, means—
- (a) if the resolution provides for salary to be paid to Members at different rates according to whether or not they are holders of particular offices, or are in receipt of salaries or pensions as the holders or former holders of particular offices, a Member’s yearly salary at the higher or highest rate; and
  - (b) in any other case, a Member’s yearly salary at the rate specified in or determined under the resolution.

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

**C37** S. 629 applied (with modifications) (with effect in accordance with s. 52(2) of the affecting Act) by Finance Act 1999 (c. 16), **Sch. 5 para. 6**

**Marginal Citations**

**M94** Source-1970 s.229

**M95** 1987 c. 45.

## CHAPTER IV

### PERSONAL PENSION SCHEMES

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

**C38** Pt. 14 Ch. 5 excluded (1.5.1995) by Finance Act 1995 (c. 4), **s. 60(5)**

*Preliminary*

#### **630 Interpretation.**

**F1913** .....

**Textual Amendments**

**F1913**Ss. 630-640A repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

#### **631 Approval of schemes.**

**F1914** .....

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**Textual Amendments**

**F1914**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

[<sup>F1915</sup> **631 Conversion of certain approved retirement benefits schemes.**

<sup>F1916</sup> . . . . . ]

**Textual Amendments**

**F1915**S. 631A inserted (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), **Sch. 13 para. 7** (with Sch. 13 Pt. 2)

**F1916**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

*Restrictions on approval*

**632 Establishment of schemes.**

<sup>F1917</sup> . . . . .

**Textual Amendments**

**F1917**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

[<sup>F1918</sup> **632 Eligibility to make contributions.**

<sup>F1919</sup> . . . . .

**Textual Amendments**

**F1918**Ss. 632A, 632B inserted (6.4.2001) by [Finance Act 2000 \(c. 17\)](#), **Sch. 13 para. 8** (with Sch. 13 Pt. 2)

**F1919**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**632B Eligibility to make contributions: concurrent membership.**

<sup>F1920</sup> . . . . . ]

**Textual Amendments**

**F1918**Ss. 632A, 632B inserted (6.4.2001) by [Finance Act 2000 \(c. 17\)](#), **Sch. 13 para. 8** (with Sch. 13 Pt. 2)

**F1920**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**633 Scope of benefits.**

<sup>F1921</sup> . . . . .

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**Textual Amendments**

**F1921**[Ss. 630-640A](#) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**634 Annuity to member.**

**F1922** .....

**Textual Amendments**

**F1922**[Ss. 630-640A](#) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

[<sup>F1923</sup>**634**~~Income withdrawals by member.~~

**F1924** .....]

**Textual Amendments**

**F1923**[S. 634A](#) inserted (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), [Sch. 11 para. 4](#)  
**F1924**[Ss. 630-640A](#) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**635 Lump sum to member.**

**F1925** .....

**Textual Amendments**

**F1925**[Ss. 630-640A](#) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**636 Annuity after death of member.**

**F1926** .....

**Textual Amendments**

**F1926**[Ss. 630-640A](#) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

[<sup>F1927</sup>**636**~~Income withdrawals after death of member.~~

**F1928** .....]

**Textual Amendments**

**F1927**[S. 636A](#) inserted (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), [Sch. 11 para. 7](#)  
**F1928**[Ss. 630-640A](#) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

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## 637 Death benefit.

F1929 .....

### Textual Amendments

F1929Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## [<sup>F1930</sup>637A Return of contributions on or after death of member.

F1931 ..... ]

### Textual Amendments

F1930Ss. 637, 637A substituted for s. 637 (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), [Sch. 11 para. 8](#)

F1931Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## 638 Other restrictions on approval.

F1932 .....

### Textual Amendments

F1932Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## [<sup>F1933</sup>638ZA Personal pension arrangements with more than one pension date etc.

F1934 ..... ]

### Textual Amendments

F1933S. 638ZA inserted (6.4.2001) by [Finance Act 2000 \(c. 17\)](#), [Sch. 13 para. 14](#) (with Sch 13 Pt. 2)

F1934Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## [<sup>F1935</sup>638A Power to prescribe restrictions on approval.

F1936 ..... ]

### Textual Amendments

F1935S. 638A inserted (31.7.1998) by [Finance Act 1998 \(c. 36\)](#), [s. 94\(1\)](#)

F1936Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

## *Tax reliefs*

## 639 Member's contributions.

F1937 .....



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**Textual Amendments**

**F1937**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**640 Maximum amount of deductions.**

**F1938** .....

**Textual Amendments**

**F1938**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

[<sup>F1939</sup>**640**~~Earnings cap.~~

**F1940** .....]

**Textual Amendments**

**F1939**S. 640A inserted (with effect in accordance with [Sch. 7 para. 4\(2\)](#) of the amending Act) by [Finance Act 1989 \(c. 26\)](#), [Sch. 7 para. 4\(1\)](#)

**F1940**Ss. 630-640A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**641 Carry-back of contributions.**

**F1941** .....

**Textual Amendments**

**F1941**S. 641 repealed (with effect in accordance with [Sch. 13 para. 17](#) of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 40 Pt. 2\(4\)](#), Note 3 (with [Sch. 13 Pt. 2](#))

[<sup>F1942</sup>**641**~~Election for contributions to be treated as paid in previous year.~~

**F1943** .....]

**Textual Amendments**

**F1942**S. 641A inserted (with effect in accordance with [Sch. 13 para. 18\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 13 para. 18\(1\)](#) (with [Sch. 13 Pt. 2](#))

**F1943**S. 641A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**642 Carry-forward of relief.**

**F1944** .....

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**Textual Amendments**

**F1944S. 642** repealed (with effect in accordance with Sch. 13 para. 19 of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 40 Pt, 2\(4\)](#), Note 4 (with Sch. 13 Pt. 2)

**643 Employer’s contributions and personal pension income etc.**

**F1945** .....

**Textual Amendments**

**F1945Ss. 643-646D** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**644 Meaning of “relevant earnings”.**

**F1946** .....

**Textual Amendments**

**F1946Ss. 643-646D** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**645 Earnings from pensionable employment.**

**F1947** .....

**Textual Amendments**

**F1947Ss. 643-646D** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**646 Meaning of “net relevant earnings”.**

**F1948** .....

**Textual Amendments**

**F1948Ss. 643-646D** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

[<sup>F1949</sup>**646E Earnings from associated employments.**

**F1950** .....]

**Textual Amendments**

**F1949S. 646A** inserted (with effect in accordance with Sch. 7 para. 8(2) of the amending Act) by [Finance Act 1989 \(c. 26\)](#), [Sch. 7 para. 8\(1\)](#)

**F1950Ss. 643-646D** repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

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[<sup>F1951</sup> **646B** Presumption of same level of relevant earnings etc for 5 years.

F1952 .....

**Textual Amendments**

F1951 Ss. 646B, 646C inserted (with effect in accordance with Sch. 13 para. 22(2) of the amending Act) by Finance Act 2000 (c. 17), Sch. 13 para. 22(1) (with Sch. 13 Pt. 2)

F1952 Ss. 643-646D repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

**646C Provisions supplementary to section 646B.**

F1953 ..... ]

**Textual Amendments**

F1951 Ss. 646B, 646C inserted (with effect in accordance with Sch. 13 para. 22(2) of the amending Act) by Finance Act 2000 (c. 17), Sch. 13 para. 22(1) (with Sch. 13 Pt. 2)

F1953 Ss. 643-646D repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

[<sup>F1954</sup> **646D** Higher level contributions after cessation of actual relevant earnings: modification of section 646B.

F1955 ..... ]

**Textual Amendments**

F1954 S. 646D inserted (with effect in accordance with Sch. 13 para. 23(2) of the amending Act) by Finance Act 2000 (c. 17), Sch. 13 para. 23(1) (with Sch. 13 Pt. 2)

F1955 Ss. 643-646D repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

*Charge to tax*

**647 Unauthorised payments.**

F1956 .....

**Textual Amendments**

F1956 Ss. 647-648A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), Sch. 6 para. 96, Sch. 8 Pt. 1 (with Sch. 7)

**648 Contributions under unapproved arrangements.**

F1957 .....

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**Textual Amendments**

**F1957**Ss. 647-648A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 96, Sch. 8 Pt. 1](#) (with Sch. 7)

**F1958**F1959 .....

**Textual Amendments**

**F1958**S. 648A and preceding cross-heading inserted (with application in accordance with s. 109(2) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 109\(1\)](#)  
**F1959**Cross-heading preceding s. 648A omitted (1.5.1995) by virtue of [Finance Act 1995 \(c. 4\), Sch. 11 para. 12](#)

**648A Annuities: charge under Schedule E.**

**F1960** .....

**Textual Amendments**

**F1958**S. 648A and preceding cross-heading inserted (with application in accordance with s. 109(2) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 109\(1\)](#)  
**F1960**Ss. 647-648A repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 96, Sch. 8 Pt. 1](#) (with Sch. 7)

**F1961** **648B** **F1962** **Return of contributions after pension date.** .....

**Textual Amendments**

**F1958**S. 648A and preceding cross-heading inserted (with application in accordance with s. 109(2) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 109\(1\)](#)  
**F1961**S. 648B inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), Sch. 11 para. 12](#)  
**F1962**Ss. 648B-651A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

*Miscellaneous*

**649 Minimum contributions under Social Security Act 1986.**

**F1963** .....

**Textual Amendments**

**F1963**Ss. 648B-651A repealed (6.4.2006) by [Finance Act 2004 \(c. 12\), Sch. 42 Pt. 3](#), Note (with Sch. 36)

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## 650 Withdrawal of approval.

F1964 .....

### Textual Amendments

F1964Ss. 648B-651A repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## [<sup>F1965</sup>650] Charge on withdrawal of approval from arrangements.

F1966 .....]

### Textual Amendments

F1965S. 650A inserted (with effect in accordance with s. 95(4) of the amending Act) by Finance Act 1998 (c. 36), s. 95(1)

F1966Ss. 648B-651A repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 651 Appeals.

F1967 .....

### Textual Amendments

F1967Ss. 648B-651A repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## [<sup>F1968</sup>651] Information powers.

F1969 .....]

### Textual Amendments

F1968S. 651A inserted (31.7.1998) by Finance Act 1998 (c. 36), s. 96(1)

F1969Ss. 648B-651A repealed (6.4.2006) by Finance Act 2004 (c. 12), Sch. 42 Pt. 3, Note (with Sch. 36)

## 652 Information about payments.

F1970 .....

### Textual Amendments

F1970S. 652 repealed (1.10.2000) by Finance Act 1998 (c. 36), s. 96(4), Sch. 27 Pt. 3(21), Note; S.I. 2000/2319, art. 2

## 653 Information: penalties.

F1971 .....

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**Textual Amendments**

**F1971** Ss. 653-655 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**[<sup>F1972</sup> 653A Notices to be given to scheme administrator.**

**F1973** . . . . . ]

**Textual Amendments**

**F1972** S. 653A inserted (with effect in accordance with s. 97(2) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [s. 97\(1\)](#)

**F1973** Ss. 653-655 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**654 Remuneration of Ministers and other officers.**

**F1974** . . . . .

**Textual Amendments**

**F1974** Ss. 653-655 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**655 Transitional provisions.**

**F1975** . . . . .

**Textual Amendments**

**F1975** Ss. 653-655 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with Sch. 36)

**CHAPTER V**

**PURCHASED LIFE ANNUITIES**

**656 Purchased life annuities other than retirement annuities.**

**F1976** . . . . .

**Textual Amendments**

**F1976** Ss. 656-658 omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), [Sch. 14 para. 8](#)

**657 Purchased life annuities to which section 656 applies.**

**F1977** . . . . .

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**Textual Amendments**

**F1977**Ss. 656-658 omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 8**

**658 Supplementary.**

**F1978** . . . . .

**Textual Amendments**

**F1978**Ss. 656-658 omitted (with effect in accordance with Sch. 14 para. 18(1) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **Sch. 14 para. 8**

**CHAPTER VI**

**MISCELLANEOUS**

[<sup>F1979</sup>**658** **Charges and assessments on administrators.**

**F1980** . . . . .]

**Textual Amendments**

**F1979**S. 658A inserted (retrospectively) by Finance Act 1998 (c. 36), **s. 98(1)**  
**F1980**S. 658A repealed (6.4.2006) by Finance Act 2004 (c. 12), **Sch. 42 Pt. 3**, Note (with Sch. 36)

<sup>F1981</sup>**659** **Financial futures and traded options.**

. . . . .

**Textual Amendments**

**F1981**S. 659 repealed (with effect in accordance with s. 81(7)(8) of the repealing Act) by Finance Act 1990 (c. 29), s. 81(4), **Sch. 19 Pt. 4**, Note 9

[<sup>F1982</sup>**659** **Futures and options.**

- (1) For the purposes of sections <sup>F1983</sup> . . . 613(4), 614(3) and (4) <sup>F1983</sup> . . . —
- (a) “investments” (or “investment”) includes futures contracts and options contracts, and
  - (b) income derived from transactions relating to such contracts shall be regarded as income derived from (or income from) such contracts.

**F1983** . . . . .

- (2) For the purposes of subsection (1) above a contract is not prevented from being a futures contract or an options contract by the fact that any party is or may be entitled

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to receive or liable to make, or entitled to receive and liable to make, only a payment of a sum (as opposed to a transfer of assets other than money) in full settlement of all obligations.]

**Textual Amendments**

**F1982**S. 659A inserted (with effect in accordance with s. 81(5) of the amending Act) by [Finance Act 1990 \(c. 29\)](#), **s. 81(2)**

**F1983**Words in s. 659A(1) repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**[<sup>F1984</sup>659B] Definition of insurance company.**

**F1985** .....

**Textual Amendments**

**F1984**Ss. 659B, 659C inserted (with effect in accordance with s. 60 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **s. 59(5)**

**F1985**Ss. 659B-659D repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**659C Effect of appointment or arrangements under section 659B.**

**F1986** .....

**Textual Amendments**

**F1984**Ss. 659B, 659C inserted (with effect in accordance with s. 60 of the amending Act) by [Finance Act 1995 \(c. 4\)](#), **s. 59(5)**

**F1986**Ss. 659B-659D repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**[<sup>F1987</sup>659D] Interpretation of provisions about pension sharing.**

**F1988** .....

**Textual Amendments**

**F1987**S. 659D inserted (27.7.1999) by [Finance Act 1999 \(c. 16\)](#), **Sch. 10 para. 17**

**F1988**Ss. 659B-659D repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), **Sch. 42 Pt. 3**, Note (with Sch. 36)

**[<sup>F1989</sup>659E] Treatment of income from property investment LLPs**

(1) The exemptions specified below do not apply to income derived from investments, deposits or other property held as a member of a property investment LLP [<sup>F1990</sup>(see section 1004 of ITA 2007)].

(2) The exemptions are those provided by—

**F1991** .....

**F1991** .....



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section 613(4) (Parliamentary pension funds),  
section 614(3) (certain colonial, &c. pension funds),  
section 614(4) (the Overseas Service Pension Fund),  
section 614(5) (other pension funds for overseas employees),

F1991

.....

F1991

.....

(3) The income to which subsection (1) above applies includes relevant stock lending fees, in relation to any investments, to which any of the provisions listed in subsection (2) above would apply by virtue of section 129B.

(4) Section 659A (treatment of futures and options) applies for the purposes of subsection (1) above.]

#### Textual Amendments

**F1989S. 659E** inserted (6.4.2001) by [Finance Act 2001 \(c. 9\)](#), s. 76(2), [Sch. 25 para. 2](#)

**F1990** Words in [s. 659E\(1\)](#) inserted (6.4.2007 with effect in accordance with [s. 1034\(1\)](#) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 143](#) (with [Sch. 2](#))

**F1991S. 659E(2)**: entries repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#), Note (with [Sch. 36](#))

## PART XV

### SETTLEMENTS

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

**C39** [Pt. 15](#) modified (with effect in accordance with [s. 105\(1\)](#) of the modifying Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 13 para. 6\(1\)](#) (with [Sch. 13 para. 16](#), [Sch. 15](#))

## [<sup>F1992</sup>CHAPTER 1A

### LIABILITY OF SETTLOR

#### Textual Amendments

**F1992Pt. 15 Ch. 1A** inserted (in place of [ss. 660-676](#), [683-685](#)) (with effect in accordance with [s. 74\(2\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

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

**C40** [Pt. 15 Ch. 1A](#) excluded (with effect in accordance with [s. 44\(6\)](#) of the affecting Act) by [Finance Act 2000 \(c. 17\)](#), [s. 44\(1\)](#)

**C41** [Pt. 15 Ch. 1A](#) modified (with effect in accordance with [s. 45\(3\)](#) of the modifying Act) by [Finance Act 2000 \(c. 17\)](#), [s. 45\(1\)](#)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

*Main provisions*

**660A Income arising under settlement where settlor retains an interest.**

F1993 .....

**Textual Amendments**  
**F1993**Ss. 660A, 660B repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 271, **Sch. 3** (with Sch. 2)

**660B Payments to unmarried minor children of settlor.**

F1994 .....

**Textual Amendments**  
**F1994**Ss. 660A, 660B repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 271, **Sch. 3** (with Sch. 2)

**660C Nature of charge on settlor.**

- (1) F1995 .....
- F1996(1A) [ F1995 ..... ]
- (2) F1995 .....
- (3) F1997 .....
- F1998(4) [ F1999 ..... ]

**Textual Amendments**  
**F1995**S. 660C(1)-(2) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 272(2), **Sch. 3** (with Sch. 2)  
**F1996**S. 660C(1A) inserted (with effect in accordance with Sch. 4 para. 14(4) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **Sch. 4 para. 14(3)**  
**F1997**S. 660C(3) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 144, **Sch. 3 Pt. 1** (with Sch. 2)  
**F1998**S. 660C(4) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 272(4)** (with Sch. 2)  
**F1999**S. 660C(4) repealed (with effect in accordance with Sch. 5 para. 2(2)(3) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 5 para. 2(1), **Sch. 27 Pt. 2(3)**, Note

**660D Adjustments between settlor and trustees, &c.**

F2000 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2000**Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 273, Sch. 3 \(with Sch. 2\)](#)

*Supplementary provisions*

**660E Application to settlements by two or more settlors.**

**F2001** . . . . .

**Textual Amendments**

**F2001**Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 273, Sch. 3 \(with Sch. 2\)](#)

**660F Power to obtain information.**

**F2002** . . . . .

**Textual Amendments**

**F2002**Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 273, Sch. 3 \(with Sch. 2\)](#)

**660G Meaning of “settlement” and related expressions.**

**F2003** . . . . . ]

**Textual Amendments**

**F2003**Ss. 660D-660G repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 273, Sch. 3 \(with Sch. 2\)](#)

**CHAPTER I**

**DISPOSITIONS FOR SHORT PERIODS**

**<sup>F1992</sup>660 Dispositions for period which cannot exceed six years.**

. . . . .

**Textual Amendments**

**F1992**Pt. 15 Ch. 1A inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\), Sch. 17 para. 1](#)

*Status: Point in time view as at 19/07/2013.*

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**F1992661 Adjustments between disponor and trustees.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992662 Application of Chapter I to dispositions by two or more disponors.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**CHAPTER II**

**SETTLEMENTS ON CHILDREN**

**F1992663 The general rule.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992664 Accumulation settlements.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992665 Meaning of “irrevocable”.**

.....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 666 Interest paid by trustees.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 667 Adjustments between disponor and trustees.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 668 Application of Chapter II to settlements by two or more settlors.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 669 Power to obtain information under Chapter II.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 670 Interpretation of Chapter II.**

.....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**[<sup>F2004</sup>CHAPTER 1B**

**PROVISIONS AS TO CAPITAL SUMS PAID TO SETTLOR]**

**Textual Amendments**

**F2004Pt. 15 Ch. 1B** heading inserted (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 8](#)

**<sup>F1992</sup>671 Revocable settlements allowing release of obligation.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**<sup>F1992</sup>672 Revocable settlements allowing reversion of property.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**<sup>F1992</sup>673 Settlements where settlor retains an interest.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**<sup>F1992</sup>674 Settlements: discretionary power for benefit of settlor etc.**

.....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 674<sup>F2005</sup> Other settlements where settlor retains interest in settled property.]**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)  
**F2005**1989 s.109(1).

**F1992 675 Provisions supplementary to sections 671 to 674.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**F1992 676 Disallowance of deduction from total income of certain sums paid by settlor.**

.....

**Textual Amendments**

**F1992Pt. 15 Ch. 1A** inserted (in place of ss. 660-676, 683-685) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 1](#)

**677 Sums paid to settlor otherwise than as income.**

**F2006** .....

**Textual Amendments**

**F2006S. 677** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 274](#), [Sch. 3](#) (with [Sch. 2](#))

**678 Capital sums paid by body connected with settlement.**

**F2007** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2007S. 678** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 275, Sch. 3](#) (with Sch. 2)

**679 Application of Chapter III to settlements by two or more settlors.**

**F2008** .....

**Textual Amendments**

**F2008Ss. 679-681** repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. 8\(8\)](#)

**680 Power to obtain information for purposes of Chapter III.**

**F2009** .....

**Textual Amendments**

**F2009Ss. 679-681** repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. 8\(8\)](#)

**681 Interpretation of Chapter III.**

**F2010** .....

**Textual Amendments**

**F2010Ss. 679-681** repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by [Finance Act 1995 \(c. 4\), Sch. 29 Pt. 8\(8\)](#)

**682 Ascertainment of undistributed income.**

**F2011** .....

**Textual Amendments**

**F2011 Ss. 682, 682A** repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 276, Sch. 3](#) (with Sch. 2)

**[<sup>F2012</sup>682A Supplementary provisions.**

**F2013** .....



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**Textual Amendments**

**F2012**S. 682A inserted (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 11

**F2013**Ss. 682, 682A repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 276, Sch. 3 (with Sch. 2)

[<sup>F2014</sup>CHAPTER 1C

LIABILITY OF TRUSTEES]

**Textual Amendments**

**F2014**Pt. 15 Ch. 1C heading substituted for heading before s. 686 (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), Sch. 17 para. 12

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

**C42** Pt. 15 Ch. 1C modified (6.4.2005 with effect in accordance with s. 883(1) of the modifying Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), s. 457(1)(3) (with Sch. 2)

F2015 . . .

**Textual Amendments**

**F2015**Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

**683 Settlements made after 6th April 1965.**

F2016 . . . . .

**Textual Amendments**

**F2016**Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

**684 Settlements made before 7th April 1965 but after 9th April 1946.**

F2017 . . . . .

**Textual Amendments**

**F2017**Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 29 Pt. 8(8)

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## 685 Provisions supplementary to sections 683 and 684.

F2018  
.....

### Textual Amendments

**F2018**Ss. 683-685 repealed (with effect in accordance with Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), **Sch. 29 Pt. 8(8)**

F2019  
.....

### Textual Amendments

**F2019**Cross-heading before s. 686 replaced by Pt. 15 Ch. 1C heading (with effect in accordance with s. 74(2) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 17 para. 12**

## [<sup>F2020</sup>685A Meaning of “settled property”

F2021  
.....

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 13 para. 1(1)**

**F2021**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, **Sch. 3 Pt. 1** (with Sch. 2)

## 685B Meaning of “settlor”

F2022  
.....

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 13 para. 1(1)**

**F2022**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, **Sch. 3 Pt. 1** (with Sch. 2)

## 685C Transfer between settlements: identification of settlor

F2023  
.....

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 13 para. 1(1)**

**F2023**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, **Sch. 3 Pt. 1** (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

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## 685D Variation of will or intestacy, etc: identification of settlor

F2024

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)

**F2024**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

## 685E Trustees of settlements

F2025

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)

**F2025**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

## 685F Application of section 739 and 740

F2026

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)

**F2026**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

## 685G Sub-funds

F2027

### Textual Amendments

**F2020**Ss. 685A-685G inserted (coming into force and with effect in accordance with Sch. 13 para. 1(2)-(6) of the amending Act) by Finance Act 2006 (c. 25), Sch. 13 para. 1(1)

**F2027**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 145, Sch. 3 Pt. 1 (with Sch. 2)

## 686 [F2028 Accumulation and discretionary trusts: special rates of tax.]

F2029

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F2028**S. 686 sidenote substituted (with effect in accordance with s. 32(11) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), s. 32\(8\)](#)

**F2029**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F2030</sup> **686A** Receipts to be treated as income to which section 686 applies

F2031 . . . . . ]

#### Textual Amendments

**F2030**S. 686A inserted (with effect in accordance with s. 32(11) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), s. 32\(9\)](#)

**F2031**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1](#) (with [Sch. 2](#)) (subject to an amendment to s. 686A(2)(a) by [Finance Act 2007 \(c. 11\), s. 55\(1\)\(3\)](#))

### [<sup>F2032</sup> **686B** Share incentive plans: distributions in respect of unappropriated shares

F2033 . . . . .

#### Textual Amendments

**F2032**Ss. 686B, 686C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 100](#) (with [Sch. 2 para. 87, Sch. 7](#))

**F2033**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **686C Interpretation of section 686B**

F2034 . . . . . ]

#### Textual Amendments

**F2032**Ss. 686B, 686C inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 100](#) (with [Sch. 2 para. 87, Sch. 7](#))

**F2034**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F2035</sup> **686B** Special trust rates not to apply to first slice of trust income

F2036 . . . . . ]

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

- F2035**S. 686D inserted (with effect in accordance with s. 14(5) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 14\(1\)](#)
- F2036**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

[<sup>F2037</sup> **686** **Application of section 686D where settlor has made more than one settlement**

<sup>F2038</sup> .....

**Textual Amendments**

- F2037**S. 686E inserted (6.4.2006) by [Finance Act 2006 \(c. 25\), Sch. 13 para. 4\(2\)\(3\)](#)
- F2038**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**687** **Payments under discretionary trusts.**

<sup>F2039</sup> .....

**Textual Amendments**

- F2039**Ss. 685A-687 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 145, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

[<sup>F2040</sup> **687** <sup>F2041</sup> **Discretionary payments by trustees to companies**].

<sup>F2042</sup> .....

**Textual Amendments**

- F2040**S. 687A inserted (with effect in accordance with s. 27(2) of the amending Act) by [Finance \(No. 2\) Act 1997 \(c. 58\), s. 27\(1\)](#)
- F2041**Words in s. 687A sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 146\(5\) \(with Sch. 2\)](#)
- F2042**S. 687A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 92, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**688** **Schemes for employees and directors to acquire shares.**

<sup>F2043</sup> .....

**Textual Amendments**

- F2043**S. 688 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 279, Sch. 3 \(with Sch. 2\)](#)

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**689 Recovery from trustees of discretionary trusts of higher rate tax due from beneficiaries.**

F2044 .....

**Textual Amendments**

**F2044S. 689** repealed (with effect in accordance with s. 74(2), Sch. 29 Pt. 8(8) Note of the repealing Act) by Finance Act 1995 (c. 4), Sch. 17 para. 15, **Sch. 29 Pt. 8(8)**

**[<sup>F2045</sup>CHAPTER ID**

**TRUST MANAGEMENT EXPENSES**

**Textual Amendments**

**F2045Pt. 15 Ch. 1D** (ss. 689A, 689B) inserted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by Finance Act 1996 (c. 8), **Sch. 6 para. 16**

**689A Disregard of expenses where beneficiary non-resident.**

F2046 .....

**Textual Amendments**

**F2046S. 689A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 147, **Sch. 3 Pt. 1** (with Sch. 2)

**689B Order in which expenses to be set against income.**

F2047 .....]

**Textual Amendments**

**F2047S. 689B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 93, **Sch. 3 Pt. 1** (with Sch. 2)

**CHAPTER V**

**MAINTENANCE FUNDS FOR HISTORIC BUILDINGS**

**690 Schedule 4 directions.**

F2048 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2048**Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 149, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**691 Certain income not to be income of settlor etc.**

**F2049** .....

**Textual Amendments**

**F2049**Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 149, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**692 Reimbursement of settlor.**

**F2050** .....

**Textual Amendments**

**F2050**Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 149, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**693 Severance of settled property for certain purposes.**

**F2051** .....

**Textual Amendments**

**F2051**Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 149, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**694 [<sup>F2052</sup>Trustees chargeable to income tax in certain cases at higher rate reduced by rate applicable to trusts]**

**F2053** .....

**Textual Amendments**

**F2052**S. 694 sidenote substituted (22.7.2004) by [Finance Act 2004 \(c. 12\), Sch. 4 para. 2](#)  
**F2053**Ss. 690-694 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 149, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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**PART XVI**

**ESTATES OF DECEASED PERSONS IN COURSE OF ADMINISTRATION**

**695 Limited interests in residue.**

F2054 .....

**Textual Amendments**  
F2054S. 695 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 204, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**696 Absolute interests in residue.**

F2055 .....

**Textual Amendments**  
F2055S. 696 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 205, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**697 Supplementary provisions as to absolute interests in residue.**

F2056 .....

**Textual Amendments**  
F2056S. 697 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 206, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**698 Special provisions as to certain interests in residue.**

F2057 .....

**Textual Amendments**  
F2057S. 698 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 207, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

[<sup>F2059</sup>698A Taxation of income of beneficiaries at lower rate or at rates applicable to [<sup>F2058</sup>distribution] income.

F2060 ..... ]



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**Textual Amendments**

**F2058** Word in s. 698A sidenote substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 288\(5\)](#) (with Sch. 2)

**F2059** S. 698A inserted (27.7.1993 with effect for the year 1993-1994 and subsequent years of assessment) by 1993 c. 34, s. 79, Sch. 6 paras. 11(2), **25(1)**

**F2060** S. 698A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 150, Sch. 3 Pt. 1](#) (with Sch. 2)

**699 Relief from higher rate tax for inheritance tax on accrued income.**

**F2061** .....

**Textual Amendments**

**F2061** S. 699 repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), Sch. 1 para. 289, Sch. 3](#) (with Sch. 2)

[<sup>F2062</sup>**699A** **Untaxed sums comprised in the income of the estate.**

**F2063** .....]

**Textual Amendments**

**F2062** S. 699A inserted (with effect in accordance with s. 76(6) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 76\(4\)](#)

**F2063** S. 699A repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 208, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

**700 Adjustments and information.**

**F2064** .....

**Textual Amendments**

**F2064** S. 700 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 7 para. 45, Sch. 10 Pt. 12](#) (with Sch. 9)

**701 Interpretation.**

**F2065** .....

**Textual Amendments**

**F2065** S. 701 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 210, Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)

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**702 Application to Scotland.**

F2066 .....

**Textual Amendments**  
F2066S. 702 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 211, Sch. 3 Pt. 1 (with Sch. 2 Pts. 1, 2)

**PART XVII**

TAX AVOIDANCE

[<sup>F2067</sup>CHAPTER I

CANCELLATION OF [<sup>F2068</sup>CORPORATION TAX] ADVANTAGES  
FROM CERTAIN TRANSACTIONS IN SECURITIES]

**Textual Amendments**  
F2067Pt. 17 Ch. 1 (ss. 703-709) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 94, Sch. 3 Pt. 1 (with Sch. 2)  
F2068Words in Pt. 17 Ch. 1 heading substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 153 (with Sch. 2)

**703 Cancellation of [<sup>F2069</sup>corporation tax] advantage.**

F2070 .....

**Textual Amendments**  
F2069Words in s. 703 sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 154(10) (with Sch. 2)  
F2070Pt. 17 Ch. 1 (ss. 703-709) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 94, Sch. 3 Pt. 1 (with Sch. 2)

**704 The prescribed circumstances.**

F2071 .....

**Textual Amendments**  
F2071Pt. 17 Ch. 1 (ss. 703-709) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 94, Sch. 3 Pt. 1 (with Sch. 2)

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**705 Appeals against Board’s notices under section 703.**

F2072 .....

**Textual Amendments**

**F2072** Pt. 17 Ch. 1 (ss. 703-709) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 94, Sch. 3 Pt. 1 (with Sch. 2)

**[<sup>F2073</sup>705A Statement of case by tribunal for opinion of High Court.**

F2074 .....

**Textual Amendments**

**F2073** Ss. 705A, 705B inserted (1.1.1994) by The General and Special Commissioners (Amendment of Enactments) Regulations 1994 (S.I. 1994/1813), reg. 1(1), Sch. 1 para. 24

**F2074** Ss. 705A, 705B, 706 omitted (1.4.2009) by virtue of The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 152

**705B Proceedings in Northern Ireland.**

F2075 ..... ]

**Textual Amendments**

**F2073** Ss. 705A, 705B inserted (1.1.1994) by The General and Special Commissioners (Amendment of Enactments) Regulations 1994 (S.I. 1994/1813), reg. 1(1), Sch. 1 para. 24

**F2075** Ss. 705A, 705B, 706 omitted (1.4.2009) by virtue of The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 152

**706 The tribunal.**

F2076 .....

**Textual Amendments**

**F2076** Ss. 705A, 705B, 706 omitted (1.4.2009) by virtue of The Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009 (S.I. 2009/56), art. 1(2), Sch. 1 para. 152

**707 Procedure for clearance in advance.**

F2077 .....

**Textual Amendments**

**F2077** Pt. 17 Ch. 1 (ss. 703-709) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 94, Sch. 3 Pt. 1 (with Sch. 2)

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## 708 Power to obtain information.

F2078

### Textual Amendments

**F2078**S. 708 omitted (13.8.2009) by virtue of The Finance Act 2009, Schedule 47 (Consequential Amendments) Order 2009 (S.I. 2009/2035), art. 1, Sch. para. 19

## 709 Meaning of [<sup>F2079</sup>“corporation tax advantage”] and other expressions.

F2080

### Textual Amendments

**F2079**Words in s. 709 sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), **Sch. 1 para. 161(5)** (with [Sch. 2](#))

**F2080**Pt. 17 Ch. 1 (ss. 703-709) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 94](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

## CHAPTER II

### TRANSFERS OF SECURITIES

*Transfers with or without accrued interest: introductory*

## 710 Meaning of “securities”, “transfer” etc. for purposes of sections 711 to 728.

F2081

### Textual Amendments

**F2081**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 162](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

## 711 Meaning of “interest”, “transfers with or without accrued interest” etc.

F2082

### Textual Amendments

**F2082**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 162](#), **Sch. 3 Pt. 1** (with [Sch. 2](#))

## 712 Meaning of “settlement day” for purposes of sections 711 to 728.

F2083

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**Textual Amendments**

**F2083**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

*Transfers with or without accrued interest: charge to tax and reliefs*

**713 Deemed sums and reliefs.**

**F2084** .....

**Textual Amendments**

**F2084**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**714 Treatment of deemed sums and reliefs.**

**F2085** .....

**Textual Amendments**

**F2085**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**715 Exceptions from sections 713 and 714**

**F2086** .....

**Textual Amendments**

**F2086**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**716 Transfer of unrealised interest.**

**F2087** .....

**Textual Amendments**

**F2087**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**717 Variable interest rate.**

**F2088** .....

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**Textual Amendments**

**F2088**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 162, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**718 Interest in default.**

**F2089** .....

**Textual Amendments**

**F2089**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 162, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**719 Unrealised interest in default**

**F2090** .....

**Textual Amendments**

**F2090**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 162, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

*Transfers with or without accrued interest: supplemental*

**720 Nominees, trustees etc.**

**F2091** .....

**Textual Amendments**

**F2091**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 162, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**721 Death.**

**F2092** .....

**Textual Amendments**

**F2092**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 162, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**722 Trading stock.**

**F2093** .....

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**Textual Amendments**

**F2093**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

[<sup>F2094</sup>**722** **Gilt strips: deemed transfer.**

<sup>F2095</sup> .....

**Textual Amendments**

**F2094**S. 722A inserted (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), **Sch. 40 para. 6**  
**F2095**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**723 Foreign securities: delayed remittances**

<sup>F2096</sup> .....

**Textual Amendments**

**F2096**Ss. 710-727A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with [Sch. 2](#))

**724 Insurance companies.**

<sup>F2097</sup> .....

**Textual Amendments**

**F2097**S. 724 repealed (with effect in accordance with s. 105(1) of the repealing Act) by [Finance Act 1996 \(c. 8\)](#), **Sch. 41 Pt. 5(3)**, Note

<sup>F2098</sup>**725** .....

**Textual Amendments**

**F2098**S. 725 repealed (27.7.1993 with effect for the year 1992-93 and subsequent years of assessment) by [1993 c. 34, s. 213](#), **Sch. 23 Pt. III(12)** Note 5

<sup>F2099</sup>**726** .....

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**Textual Amendments**

**F2099S. 726** repealed (for the year 1991-92 and subsequent years of assessment) by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), s. 123, **Sch. 19 Pt. V**, Note 6

[<sup>F2100</sup>**726** **New issues of securities.**

F2101 . . . . . ]

**Textual Amendments**

**F2100S. 726A** inserted by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), s. 54, **Sch. 12 paras. 2, 5**  
**F2101Ss. 710-727A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with **Sch. 2**)

**727 Stock lending.**

F2102 . . . . .

**Textual Amendments**

**F2102Ss. 710-727A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with **Sch. 2**)

[<sup>F2103</sup>**727A** **Exception for sale and repurchase of securities.**

F2104 . . . . . ]

**Textual Amendments**

**F2103S. 727A** inserted (with effect in accordance with s. 79(3) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), s. 79(1) (with s. 79(4))  
**F2104Ss. 710-727A** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 162, **Sch. 3 Pt. 1** (with **Sch. 2**)

**728 Information.**

F2105 . . . . .

**Textual Amendments**

**F2105S. 728** omitted (13.8.2009) by virtue of [The Finance Act 2009, Schedule 47 \(Consequential Amendments\) Order 2009 \(S.I. 2009/2035\)](#), art. 1, Sch. para. 20



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### Other transfers of securities

#### 729 Sale and repurchase of securities.

F2106

##### Textual Amendments

**F2106S. 729** repealed (with effect in accordance with s. 159(1)(10) of the repealing Act) by [Finance Act 1996 \(c. 8\), s. 159\(1\), Sch. 41 Pt. 5\(21\)](#), Note; [S.I. 1996/2646, art. 2](#)

#### 730 [<sup>F2107</sup>Transfers of rights to receive distributions in respect of shares]

F2108

##### Textual Amendments

**F2107S. 730** heading substituted (with effect in accordance with [Sch. 7 para. 2\(13\)](#) of the amending Act) by virtue of [Finance \(No. 2\) Act 2005 \(c. 22\), Sch. 7 para. 2\(12\)](#)

**F2108S. 730** omitted (with effect in accordance with [Sch. 25 para. 10](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 25 para. 9\(1\)\(a\)](#)

#### [<sup>F2109</sup>730A Treatment of price differential on sale and repurchase of securities.

F2110

##### Textual Amendments

**F2109Ss. 730A, 730B** inserted (with effect in accordance with [s. 80\(5\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 80\(1\)](#)

**F2110Ss. 730A, 730B** repealed (with effect in accordance with [S.I. 2007/2483, art. 3](#)) by [Finance Act 2007 \(c. 11\), s. 47\(4\), Sch. 14 para. 4, Sch. 27 Pt. 2\(14\)](#), Note

#### 730B Interpretation of section 730A.

F2111

##### Textual Amendments

**F2109Ss. 730A, 730B** inserted (with effect in accordance with [s. 80\(5\)](#) of the amending Act) by [Finance Act 1995 \(c. 4\), s. 80\(1\)](#)

**F2111Ss. 730A, 730B** repealed (with effect in accordance with [S.I. 2007/2483, art. 3](#)) by [Finance Act 2007 \(c. 11\), s. 47\(4\), Sch. 14 para. 4, Sch. 27 Pt. 2\(14\)](#), Note

#### [<sup>F2112</sup>730B Exchange gains and losses on sale and repurchase of securities

F2113

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

- F2112** S. 730BB inserted (with effect in accordance with Sch. 38 para. 21(2) of the amending Act) by Finance Act 2003 (c. 14), **Sch. 38 para. 12**
- F2113** S. 730BB repealed (with effect in accordance with S.I. 2007/2483, **art. 3**) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 5, **Sch. 27 Pt. 2(14)**, Note

**[<sup>F2114</sup>730C Exchanges of gilts: traders etc.**

**F2115** . . . . . ]

**Textual Amendments**

- F2114** S. 730C inserted (29.4.1996) by Finance Act 1996 (c. 8), **Sch. 40 para. 7**
- F2115** S. 730C repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 301, **Sch. 3** (with Sch. 2)

*Purchase and sale of securities*

**731 Application and interpretation of sections 732 to 734.**

**F2116** . . . . .

**Textual Amendments**

- F2116** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **s. 66(1)(c)** (subject to modification to s. 731 by Corporation Tax Act 2009 (c. 4), **Sch. 2 para. 144**)

**732 Dealers in securities.**

**F2117** . . . . .

**Textual Amendments**

- F2117** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **s. 66(1)(c)**

**733 Persons entitled to exemptions.**

**F2118** . . . . .

**Textual Amendments**

- F2118** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of Finance Act 2008 (c. 9), **s. 66(1)(c)**

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### 734 Persons other than dealers in securities.

F2119 .....

#### Textual Amendments

**F2119** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 66(1)(c)

### 735 Meaning of “appropriate amount in respect of” interest.

F2120 .....

#### Textual Amendments

**F2120** Ss. 731-735 omitted (with effect in accordance with s. 66(6) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 66(1)(c)

#### *Miscellaneous provisions relating to securities*

### 736 Company dealing in securities: distribution materially reducing value of holding.

F2121 .....

#### Textual Amendments

**F2121** S. 736 omitted (with effect in accordance with s. 66(7) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. 66(1)(d)

### [<sup>F2122</sup>736A Manufactured dividends and interest.

F2123 .....]

#### Textual Amendments

**F2122** S. 736A inserted by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), s. 58(1) (with effect as mentioned in s. 58(3) in relation to payments made on or after such day as may be specified: 26.2.1992 specified for certain purposes by [S.I. 1992/173](#), [reg. 2\(a\)](#); 30.6.1992 specified for certain purposes by [S.I. 1992/1346](#), [regs. 2, 3, 4](#); 21.4.1993 specified for certain purposes by [S.I. 1993/933](#), [regs. 2, 3\(a\), 4\(1\)](#))

**F2123** S. 736A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 95](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F2124</sup>736B Deemed manufactured payments in the case of stock lending arrangements.

F2125 .....]

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

- F2124S.** 736B inserted (with effect in accordance with Sch. 10 para. 7(1) of the amending Act) by Finance Act 1997 (c. 16), **Sch. 10 para. 3**; S.I. 1997/991, **art. 2**
- F2125S.** 736B repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 96, **Sch. 3 Pt. 1** (with Sch. 2)

### [<sup>F2126</sup>**736D** Deemed interest: cash collateral under stock lending arrangements

F2127 . . . . . ]

#### Textual Amendments

- F2126S.** 736C inserted (with effect in accordance with Sch. 6 para. 3(2)-(4) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 6 para. 3(1)**
- F2127S.** 736C omitted (22.4.2009) by virtue of Finance Act 2009 (c. 10), Sch. 24 paras. 8(a)(i), **12** (with Sch. 24 paras. 13-16)

### [<sup>F2128</sup>**736D** Quasi-stock lending arrangements and quasi-cash collateral

F2129 . . . . . ]

#### Textual Amendments

- F2128S.** 736D inserted (with effect in accordance with Sch. 6 para. 4(4) of the amending Act) by Finance Act 2006 (c. 25), **Sch. 6 para. 4(3)**
- F2129S.** 736D omitted (22.4.2009) by virtue of Finance Act 2009 (c. 10), Sch. 24 paras. 8(a)(ii), **12** (with Sch. 24 paras. 13-16)

### **737 Manufactured dividends: treatment of tax deducted.**

F2130 . . . . .

#### Textual Amendments

- F2130S.** 737 repealed (with effect in accordance with Sch. 10 para. 16(1), Sch. 18 Pt. 6(10) Notes 3, 6 of the repealing Act) by Finance Act 1997 (c. 16), Sch. 10 para. 8, **Sch. 18 Pt. 6(10)** (with Sch. 10 para. 16(3)); S.I. 1997/991, **art. 2**

### [<sup>F2131</sup>**737A** Sale and repurchase of securities: deemed manufactured payments.

F2132 . . . . .

#### Textual Amendments

- F2131Ss.** 737A-737C inserted (3.5.1994) by Finance Act 1994 (c. 9), **s. 122**
- F2132Ss.** 737A-737C repealed (with effect in accordance with S.I. 2007/2483, **art. 3**) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 7, **Sch. 27 Pt. 2(14)**, Note

*Status: Point in time view as at 19/07/2013.*

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### 737B Interpretation of section 737A.

F2133  
.....

#### Textual Amendments

**F2131**Ss. 737A-737C inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 122

**F2133**Ss. 737A-737C repealed (with effect in accordance with S.I. 2007/2483, art. 3) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 7, Sch. 27 Pt. 2(14), Note

### 737C Deemed manufactured payments: further provisions.

F2134  
.....]

#### Textual Amendments

**F2131**Ss. 737A-737C inserted (3.5.1994) by Finance Act 1994 (c. 9), s. 122

**F2134**Ss. 737A-737C repealed (with effect in accordance with S.I. 2007/2483, art. 3) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 7, Sch. 27 Pt. 2(14), Note

### *Supplemental*

### [<sup>F2135</sup>737D Power to provide for manufactured payments to be eligible for relief.

F2136  
.....

#### Textual Amendments

**F2135**Ss. 737D, 737E inserted (1.5.1995) by Finance Act 1995 (c. 4), s. 83(1)

**F2136**S. 737D omitted (21.7.2008) by virtue of Finance Act 2008 (c. 9), Sch. 17 para. 35(1)

### 737E [<sup>F2137</sup>Power to modify sections <sup>F2138</sup>... 730A, 730BB and 737A to 737C]

F2139  
.....]

#### Textual Amendments

**F2135**Ss. 737D, 737E inserted (1.5.1995) by Finance Act 1995 (c. 4), s. 83(1)

**F2137**S. 737E sidenote substituted (with effect in accordance with Sch. 38 para. 21(2) of the amending Act) by virtue of Finance Act 2003 (c. 14), Sch. 38 para. 13(4)

**F2138**Words in s. 737E sidenote repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 176(4), Sch. 3 Pt. 1 (with Sch. 2)

**F2139**S. 737E repealed (with effect in accordance with S.I. 2007/2483, art. 3) by Finance Act 2007 (c. 11), s. 47(4), Sch. 14 para. 8, Sch. 27 Pt. 2(14), Note

### 738 Power to amend sections 732, 735 and 737.

F2140  
.....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2140**S. 738 omitted (with effect in accordance with s. 66(6)-(8) of the repealing Act) by virtue of [Finance Act 2008 \(c. 9\)](#), s. **66(4)(a)**

## CHAPTER III

### TRANSFER OF ASSETS ABROAD

#### 739 Prevention of avoidance of income tax.

**F2141** .....

**Textual Amendments**

**F2141**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with [Sch. 2](#))

#### 740 Liability of non-transferors.

**F2142** .....

**Textual Amendments**

**F2142**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with [Sch. 2](#))

#### 741 [<sup>F2143</sup>Exemption from sections 739 and 740 (transactions before 5th December 2005)]

**F2144** .....

**Textual Amendments**

**F2143**S. 741 sidenote substituted (5.12.2005) by virtue of [Finance Act 2006 \(c. 25\)](#), **Sch. 7 para. 2(4)(5)**  
**F2144**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with [Sch. 2](#))

#### [<sup>F2145</sup>741A Exemption from sections 739 and 740 (transactions on or after 5th December 2005)

**F2146** ..... ]

**Textual Amendments**

**F2145**S. 741A inserted (5.12.2005) by [Finance Act 2006 \(c. 25\)](#), **Sch. 7 para. 3**

*Status: Point in time view as at 19/07/2013.*

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**F2146**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F2147</sup>**741B** Application of sections 741 and 741A

F2148  
..... ]

**Textual Amendments**

**F2147**Ss. 741B, 741C inserted (5.12.2005) by Finance Act 2006 (c. 25), **Sch. 7 para. 4**

**F2148**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with Sch. 2)

**741C Cases where there are both old transactions and new transactions**

F2149  
..... ]

**Textual Amendments**

**F2147**Ss. 741B, 741C inserted (5.12.2005) by Finance Act 2006 (c. 25), **Sch. 7 para. 4**

**F2149**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F2150</sup>**741B** Section 739: just and reasonable apportionment in certain cases

F2151  
..... ]

**Textual Amendments**

**F2150**S. 741D inserted (5.12.2005) by Finance Act 2006 (c. 25), **Sch. 7 para. 5**

**F2151**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with Sch. 2)

**742** [<sup>F2152</sup>**Interpretation of this Chapter**]

F2153  
..... ]

**Textual Amendments**

**F2152**S. 742 sidenote substituted (5.12.2005) by virtue of Finance Act 2006 (c. 25), **Sch. 7 para. 6(5)(6)**

**F2153**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 177, **Sch. 3 Pt. 1** (with Sch. 2)

**743 Supplemental provisions.**

F2154  
..... ]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2154**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 177, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**744 No duplication of charge.**

**F2155**  
.....

**Textual Amendments**

**F2155**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 177, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**745 Power to obtain information.**

**F2156**  
.....

**Textual Amendments**

**F2156**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 177, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**746 Persons resident in the Republic of Ireland.**

**F2157**  
.....

**Textual Amendments**

**F2157**Ss. 739-746 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 177, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F2158</sup>CHAPTER IV

CONTROLLED FOREIGN COMPANIES]

**Textual Amendments**

**F2158**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\), Sch. 20 para. 14](#)

**747 Imputation of chargeable profits and creditable tax of controlled foreign companies**

**F2159**  
.....



*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F2159**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

### [<sup>F2160</sup>~~747~~ **Special rule for computing chargeable profits.**

**F2161** . . . . . ]

#### Textual Amendments

**F2160**S. 747A inserted (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), [Sch. 25 para. 2](#)

**F2161**S. 747A repealed (with effect in accordance with Sch. 4 para. 24(2) of the repealing Act) by [Finance Act 2005 \(c. 7\)](#), [Sch. 4 para. 24\(1\)](#), [Sch. 11 Pt. 2\(6\)](#), Note

### 748 [<sup>F2162</sup>~~748~~ **Cases where section 747(3) does not apply.**

**F2163** . . . . .

#### Textual Amendments

**F2162**S. 748 sidenote substituted (with effect in accordance with [Sch. 17 para. 37](#) of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 3\(9\)](#); S.I. 1998/3173, [art. 2](#)

**F2163**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

### [<sup>F2164</sup>~~748ZA~~ **Exclusion of small profits exemptions**

**F2165** . . . . . ]

#### Textual Amendments

**F2164**S. 748ZA inserted (with effect in accordance with [Sch. 12 para. 14\(2\)](#) of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 12 para. 5](#)

**F2165**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

### [<sup>F2166</sup>~~748A~~ **Territorial exclusions from exemption under section 748**

**F2167** . . . . . ]

#### Textual Amendments

**F2166**S. 748A inserted (with effect in accordance with [s. 89\(3\)](#) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 89\(2\)](#)

**F2167**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

*Status: Point in time view as at 19/07/2013.*

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**[<sup>F2168</sup>749 Residence.**

F2169  
..... ]

**Textual Amendments**

**F2168**Ss. 749-749B substituted for s. 749 (with effect in accordance with Sch.17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 4; S.I. 1998/3173, art. 2

**F2169**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**[<sup>F2170</sup>749 Elections and designations under section 749: supplementary provisions.**

F2171  
..... ]

**Textual Amendments**

**F2170**Ss. 749-749B substituted for s. 749 (with effect in accordance with Sch.17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 4; S.I. 1998/3173, art. 2

**F2171**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**749B Interests in companies.**

F2172  
..... ]

**Textual Amendments**

**F2170**Ss. 749-749B substituted for s. 749 (with effect in accordance with Sch.17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 4; S.I. 1998/3173, art. 2

**F2172**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**750 Territories with a lower level of taxation.**

F2173  
..... ]

**Textual Amendments**

**F2173**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**[<sup>F2174</sup>750 Deemed lower level of taxation: designer rate tax provisions.**

F2175  
..... ]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2174**S. 750A inserted (with effect in accordance with Sch. 31 para. 9(2) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 31 para. 3**

**F2175**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

**751 Accounting periods and creditable tax**

**F2176** .....

**Textual Amendments**

**F2176**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

[<sup>F2177</sup>**751 Reduction in chargeable profits for certain activities of EEA business establishments**

**F2178** .....

**Textual Amendments**

**F2177**Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**

**F2178**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

[<sup>F2179</sup>**Reduction in chargeable profits for certain financing income**

<sup>F2180</sup>**751AA** .....

**Textual Amendments**

**F2177**Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**

**F2179**S. 751AA inserted (with effect in accordance with Sch. 16 para. 25 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 16 para. 23**

**F2180**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

[<sup>F2181</sup>**Reduction in chargeable profits: failure to qualify for exemptions**

<sup>F2182</sup>**751AB** .....

*Status: Point in time view as at 19/07/2013.*

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### Textual Amendments

- F2177**Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**
- F2181**S. 751AB inserted (with effect in accordance with Sch. 12 para. 14(2) of the amending Act) by Finance Act 2011 (c. 11), **Sch. 12 para. 2**
- F2182**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

## [<sup>F2183</sup>751AC<sub>F2184</sub> .....]

### Textual Amendments

- F2177**Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**
- F2183**S. 751AC inserted (with effect in accordance with Sch. 12 para. 14(2) of the amending Act) by Finance Act 2011 (c. 11), **Sch. 12 para. 7**
- F2184**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

## 751B [<sup>F2185</sup>Sections 751A [<sup>F2186</sup>to 751AC]]: supplementary F2187 .....]

### Textual Amendments

- F2177**Ss. 751A, 751B inserted (with effect in accordance with Sch. 15 para. 10 of the amending Act) by Finance Act 2007 (c. 11), **Sch. 15 para. 5**
- F2185**Words in s. 751B heading substituted (with effect in accordance with Sch. 16 para. 25 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 16 para. 24(2)**
- F2186**Words in s. 751B heading substituted (with effect in accordance with Sch. 12 para. 14(2) of the amending Act) by Finance Act 2011 (c. 11), **Sch. 12 para. 12(6)**
- F2187**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

## [<sup>F2188</sup>752Apportionment of chargeable profits and creditable tax F2189 .....]

### Textual Amendments

- F2188**Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), **Sch. 17 para. 7**; S.I. 1998/3173, **art. 2**
- F2189**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 20 para. 14**

*Status: Point in time view as at 19/07/2013.*

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[<sup>F2190</sup>**752A Relevant interests.**

F2191 .....

**Textual Amendments**

**F2190**Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 7; S.I. 1998/3173, art. 2

**F2191**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**752B Section 752(3): the percentage of shares which a relevant interest represents.**

F2192 .....

**Textual Amendments**

**F2190**Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 7; S.I. 1998/3173, art. 2

**F2192**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**752C Interpretation of apportionment provisions.**

F2193 ..... ]

**Textual Amendments**

**F2190**Ss. 752-752C substituted for s. 752 (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 7; S.I. 1998/3173, art. 2

**F2193**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**753 Notices and appeals.**

F2194 .....

**Textual Amendments**

**F2194**S. 753 repealed (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 8, Sch. 27 Pt. 3(27), Note; S.I. 1998/3173, art. 2

**754 Assessment, recovery and postponement of tax.**

F2195 .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2195**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

[<sup>F2196</sup>**754**~~R~~**Returns where it is not established whether acceptable distribution policy applies.**

F2197 . . . . . ]

**Textual Amendments**

**F2196**S. 754A inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 10](#); S.I. 1998/3173, [art. 2](#)

**F2197**S. 754A omitted (with effect in accordance with Sch. 16 para. 6 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 16 para. 2\(2\)](#) (with Sch. 16 paras. 7, 8)

[<sup>F2198</sup>**754**~~D~~**Determinations requiring the sanction of the Board.**

F2199 . . . . . ]

**Textual Amendments**

**F2198**S. 754B inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 11](#); S.I. 1998/3173, [art. 2](#)

**F2199**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

**755 Information relating to controlled foreign companies**

F2200 . . . . .

**Textual Amendments**

**F2200**S. 755 repealed (with effect in accordance with Sch. 17 para. 37 of the repealing Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 12](#), [Sch. 27 Pt. 3\(27\)](#), Note; S.I. 1998/3173, [art. 2](#)

[<sup>F2201</sup>**755**~~A~~**Treatment of chargeable profits and creditable tax apportioned to company carrying on life assurance business.**

F2202 . . . . . ]

**Textual Amendments**

**F2201**S. 755A inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by [Finance Act 1998 \(c. 36\)](#), [Sch. 17 para. 13](#); S.I. 1998/3173, [art. 2](#)

**F2202**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 20 para. 14](#)

*Status: Point in time view as at 19/07/2013.*

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[<sup>F2203</sup>**755B** Amendment of return where general insurance business of foreign company accounted for on non-annual basis.

F2204 ..... ]

**Textual Amendments**

**F2203**S. 755B inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 14; S.I. 1998/3173, art. 2

**F2204**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

[<sup>F2205</sup>**755C** Application of Chapter where general insurance business of foreign company accounted for on non-annual basis.

F2206 ..... ]

**Textual Amendments**

**F2205**S. 755C inserted (with effect in accordance with Sch. 17 para. 37 of the amending Act) by Finance Act 1998 (c. 36), Sch. 17 para. 15; S.I. 1998/3173, art. 2

**F2206**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

[<sup>F2207</sup>**755D** "Control" and the two "40 per cent" tests.

F2208 ..... ]

**Textual Amendments**

**F2207**S. 755D inserted (with effect in accordance with Sch. 31 para. 9(3) of the amending Act) by Finance Act 2000 (c. 17), Sch. 31 para. 4(1)

**F2208**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

**756 Interpretation and construction of Chapter IV.**

F2209 ..... ]

**Textual Amendments**

**F2209**Pt. 17 Ch. 4 (ss. 747-756) omitted (with effect in accordance with Sch. 20 paras. 49, 50 of the repealing Act) by virtue of Finance Act 2012 (c. 14), Sch. 20 para. 14

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**[<sup>F2210</sup>CHAPTER V**

**OFFSHORE FUNDS]**

**Textual Amendments**

**F2210**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

*[<sup>F2211</sup>Meaning of offshore fund*

**Textual Amendments**

**F2211**Ss. 756A-756C and preceding cross-headings inserted (with effect in accordance with s. 145(2) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 26 para. 3](#) (with [Sch. 26 para. 17](#))

**756A General definition of offshore fund**

<sup>F2212</sup> . . . . .

**Textual Amendments**

**F2212**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

*Treatment of umbrella funds*

**756B Treatment of umbrella funds**

<sup>F2213</sup> . . . . .

**Textual Amendments**

**F2213**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

*Treatment of funds comprising more than one class of interest*

**756C Treatment of funds comprising more than one class of interest**

<sup>F2214</sup> . . . . . ]



*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2214**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

*Material interests in non-qualifying offshore funds*

**757 Disposal of material interests in non-qualifying offshore funds**

**F2215**  
.....

**Textual Amendments**

**F2215**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

**758 Offshore funds operating equalisation arrangements**

**F2216**  
.....

**Textual Amendments**

**F2216**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

**759 Material interests in offshore funds**

**F2217**  
.....

**Textual Amendments**

**F2217**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

**760 Non-qualifying offshore funds**

**F2218**  
.....

**Textual Amendments**

**F2218**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

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### Charge to tax of offshore income gains

#### 761 Charge to income tax or corporation tax of offshore income gain.

F2219

##### Textual Amendments

**F2219** Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

#### 762 Offshore income gains accruing to persons resident or domiciled abroad.

F2220

##### Textual Amendments

**F2220** Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

#### [<sup>F2221</sup>762ZA Offshore income gains: application of transfer of assets abroad provisions

F2222

##### Textual Amendments

**F2221** Ss. 762ZA, 762ZB inserted (with effect in accordance with [Sch. 7 para. 98](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 7 para. 94](#)

**F2222** Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

#### 762ZB Income treated as arising under section 761(1): remittance basis

F2223

##### Textual Amendments

**F2221** Ss. 762ZA, 762ZB inserted (with effect in accordance with [Sch. 7 para. 98](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [Sch. 7 para. 94](#)

**F2223** Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009 \(S.I. 2009/3001\)](#), regs. 1(1), 13(2)(3), [Sch. 2](#) (with [Sch. 1](#))

#### [<sup>F2224</sup>762ZC Exchange of interests of different classes

F2225

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2224**S. 762A inserted (with effect in accordance with s. 145(2) of the amending Act) by [Finance Act 2004](#) (c. 12), [Sch. 26 para. 15\(1\)](#) (with [Sch. 26 para. 17](#))

**F2225**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009](#) (S.I. 2009/3001), [regs. 1\(1\), 13\(2\)\(3\)](#), [Sch. 2](#) (with [Sch. 1](#))

**763 Deduction of offshore income gain in determining capital gain.**

**F2226** .....

**Textual Amendments**

**F2226**Pt. 17 Ch. 5 (ss. 756A-763) repealed (1.12.2009 with effect in accordance with reg. 1(2) of the repealing S.I.) by [The Offshore Funds \(Tax\) Regulations 2009](#) (S.I. 2009/3001), [regs. 1\(1\), 13\(2\)\(3\)](#), [Sch. 2](#) (with [Sch. 1](#))

**764 Offshore income gains of trustees.**

**F2227** .....

**Textual Amendments**

**F2227**S. 764 repealed (6.4.2006) by [Finance Act 2006](#) (c. 25), [Sch. 13 paras. 23, 27\(1\)](#), [Sch. 26 Pt. 3\(15\)](#),  
Note

**CHAPTER VI**

**MISCELLANEOUS**

*Migration etc. of company*

**765 Migration etc. of companies.**

**F2228** .....

**Textual Amendments**

**F2228**S. 765 omitted (with effect in accordance with [Sch. 17 para. 13](#) of the repealing Act) by virtue of [Finance Act 2009](#) (c. 10), [Sch. 17 para. 1\(a\)](#)

**[<sup>F2229</sup>765] Movements of capital between residents of member States.**

**F2230** .....

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2229**S. 765A inserted (with effect in accordance with s. 68(4) of the amending Act) by [Finance Act 1990 \(c. 29\), s. 68\(2\)](#)

**F2230**S. 765A omitted (with effect in accordance with Sch. 17 para. 13 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 17 para. 1\(b\)](#)

**766 Offences under section 765.**

**F2231** .....

**Textual Amendments**

**F2231**S. 766 omitted (with effect in accordance with Sch. 17 para. 13 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 17 para. 1\(c\)](#)

**767 Interpretation and commencement of sections 765 and 766.**

**F2232** .....

**Textual Amendments**

**F2232**S. 767 omitted (with effect in accordance with Sch. 17 para. 13 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 17 para. 1\(d\)](#)

*Change in ownership of company*

[<sup>F2233</sup>**767** **Change in company ownership: corporation tax.**

**F2234** .....

**Textual Amendments**

**F2233**Ss. 767A, 767B inserted (with effect in accordance with s. 135(6) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 135\(1\)](#)

**F2234**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 102, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

[<sup>F2235</sup>**767AA** **Change in company ownership: postponed corporation tax.**

<sup>F2236</sup>.....]

**Textual Amendments**

**F2233**Ss. 767A, 767B inserted (with effect in accordance with s. 135(6) of the amending Act) by [Finance Act 1994 \(c. 9\), s. 135\(1\)](#)

**F2235**S. 767AA inserted (with effect in accordance with s. 114(2) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 114\(1\)](#)

*Status: Point in time view as at 19/07/2013.*

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**F2236**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

## **767B Change of company ownership: supplementary.**

**F2237** . . . . . ]

### **Textual Amendments**

**F2233**Ss. 767A, 767B inserted (with effect in accordance with s. 135(6) of the amending Act) by Finance Act 1994 (c. 9), s. **135(1)**

**F2237**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

## **[<sup>F2238</sup>767C Change in company ownership: information.**

**F2239** . . . . . ]

### **Textual Amendments**

**F2238**S. 767C inserted (with effect in accordance with s. 115(3) of the amending Act) by Finance Act 1998 (c. 36), s. **115(1)**

**F2239**S. 767C omitted (1.4.2009) by virtue of Finance Act 2008 (c. 9), s. 113(2), **Sch. 36 para. 81** (with Sch. 36 para. 38); S.I. 2009/404, **art. 2** (with art. 6)

## **768 Change in ownership of company: disallowance of trading losses.**

**F2240** . . . . .

### **Textual Amendments**

**F2240**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2) (subject to the omission of s. 768(9), so far as it continues to have effect, by virtue of Finance Act 2011 (c. 11), Sch. 23 paras. 55(d), **65**)

## **[<sup>F2241</sup>768A Change in ownership: disallowance of carry back of trading losses.**

**F2242** . . . . . ]

### **Textual Amendments**

**F2241**S. 768A inserted by Finance Act 1991 (c. 31, SIF 63:1), s. 73(3)(4)(5), **Sch. 15 para. 20(1)**

**F2242**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

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[<sup>F2243</sup>~~768B~~<sup>F2244</sup> **Change in ownership of company with investment business: deductions generally**]

F2245  
.....]

**Textual Amendments**

**F2243**Ss. 768B, 768C inserted (with application in accordance with Sch. 26 para. 5 of the amending Act) by Finance Act 1995 (c. 4), **Sch. 26 para. 2**

**F2244**S. 768B sidenote substituted (with effect in accordance with ss. 42-44 of the amending Act) by virtue of Finance Act 2004 (c. 12), **Sch. 6 para. 3(7)**

**F2245**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

**768C Deductions: asset transferred within group.**

F2246  
.....]

**Textual Amendments**

**F2243**Ss. 768B, 768C inserted (with application in accordance with Sch. 26 para. 5 of the amending Act) by Finance Act 1995 (c. 4), **Sch. 26 para. 2**

**F2246**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F2247</sup>~~768D~~ **Change in ownership of company carrying on property business.**

F2248  
.....]

**Textual Amendments**

**F2247**S. 768D inserted (with effect in accordance with s. 38(2)(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 5 para. 31** (with Sch. 5 para. 73)

**F2248**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F2249</sup>~~768E~~ **Change in ownership of company with unused non-trading loss on intangible fixed assets**

F2250  
.....]

**Textual Amendments**

**F2249**S. 768E inserted (24.7.2002) by Finance Act 2002 (c. 23), **Sch. 30 para. 4(3)**

**F2250**Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

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## 769 Rules for ascertaining change in ownership of company.

F2251 .....

### Textual Amendments

**F2251** Ss. 767A-769 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 102, **Sch. 3 Pt. 1** (with Sch. 2)

### *Transactions between associated persons*

## [<sup>F2252</sup>770 Provision not at arm's length.

F2253 .....]

### Textual Amendments

**F2252** S. 770A substituted for ss. 770-773 (with effect in accordance with s. 108(5) of the amending Act) by Finance Act 1998 (c. 36), s. 108(1); S.I. 1998/3173, art. 2

**F2253** S. 770A repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 110, **Sch. 10 Pt. 2** (with Sch. 9)

## <sup>F2252</sup>770 Sales etc. at an undervalue or overvalue.

.....

### Textual Amendments

**F2252** S. 770A substituted for ss. 770-773 (with effect in accordance with s. 108(5) of the amending Act) by Finance Act 1998 (c. 36), s. 108(1); S.I. 1998/3173, art. 2

## <sup>F2252</sup>771 Transactions by petroleum companies.

.....

### Textual Amendments

**F2252** S. 770A substituted for ss. 770-773 (with effect in accordance with s. 108(5) of the amending Act) by Finance Act 1998 (c. 36), s. 108(1); S.I. 1998/3173, art. 2

## <sup>F2252</sup>772 Information for purposes of section 770, and appeals.

.....

### Textual Amendments

**F2252** S. 770A substituted for ss. 770-773 (with effect in accordance with s. 108(5) of the amending Act) by Finance Act 1998 (c. 36), s. 108(1); S.I. 1998/3173, art. 2

*Status: Point in time view as at 19/07/2013.*

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## <sup>F2252</sup>773 Interpretation of sections 770 and 771.

.....

### Textual Amendments

**F2252S. 770A** substituted for ss. 770-773 (with effect in accordance with s. 108(5) of the amending Act) by Finance Act 1998 (c. 36), s. 108(1); S.I. 1998/3173, art. 2

## 774 Transactions between dealing company and associated company.

<sup>F2254</sup>  
.....

### Textual Amendments

**F2254S. 774** repealed (31.1.2013) by Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), Sch. 1 Pt. 10 Group 1

*<sup>F2255</sup>Factoring of income receipts etc*

### Textual Amendments

**F2255Ss. 774A-774G** and preceding cross-heading inserted (with effect in accordance with Sch. 6 para. 6(2)-(7) of the amending Act) by Finance Act 2006 (c. 25), Sch. 6 para. 6(1)

## 774A Meaning of “structured finance arrangement” for purposes of s.774B

<sup>F2256</sup>  
.....

### Textual Amendments

**F2256Ss. 774A-774G** repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 104, Sch. 3 Pt. 2 (with Sch. 2); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 265, Sch. 10 Pt. 10 (with Sch. 9)

## 774B Disregard of intended effects of arrangement involving disposals of assets

<sup>F2257</sup>  
.....

### Textual Amendments

**F2257Ss. 774A-774G** repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 104, Sch. 3 Pt. 2 (with Sch. 2); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 265, Sch. 10 Pt. 10 (with Sch. 9)



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## 774C Meaning of “structured finance arrangement” for purposes of s.774D

F2258

### Textual Amendments

**F2258** Ss. 774A-774G repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 104, Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 265, Sch. 10 Pt. 10](#) (with [Sch. 9](#))

## 774D Disregard of intended effects of arrangement involving change in relation to a partnership

F2259

### Textual Amendments

**F2259** Ss. 774A-774G repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 104, Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 265, Sch. 10 Pt. 10](#) (with [Sch. 9](#))

## 774E Sections 774B and 774D: exceptions

F2260

### Textual Amendments

**F2260** Ss. 774A-774G repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 104, Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 265, Sch. 10 Pt. 10](#) (with [Sch. 9](#))

## 774F Sections 774B and 774D: power to provide further exceptions

F2261

### Textual Amendments

**F2261** Ss. 774A-774G repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 104, Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 265, Sch. 10 Pt. 10](#) (with [Sch. 9](#))

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**774G Sections 774A to 774D: minor definitions etc**

F2262 ..... ]

**Textual Amendments**

**F2262**Ss. 774A-774G repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 104, Sch. 3 Pt. 2 (with Sch. 2); and ss. 774A-774G repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 265, Sch. 10 Pt. 10 (with Sch. 9)

*Other provisions*

**775 Sale by individual of income derived from his personal activities.**

F2263 .....

**Textual Amendments**

**F2263**S. 775 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 182, Sch. 3 Pt. 1 (with Sch. 2)

[<sup>F2264</sup>**775A Transfers of rights to receive annual payments**

F2265 ..... ]

**Textual Amendments**

**F2264**S. 775A inserted (with effect in accordance with Sch. 7 para. 4(2) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), Sch. 7 para. 4(1)  
**F2265**S. 775A omitted (with effect in accordance with Sch. 25 para. 10 of the repealing Act) by virtue of Finance Act 2009 (c. 10), Sch. 25 para. 9(1)(b)

**776 Transactions in land: taxation of capital gains.**

F2266 .....

**Textual Amendments**

**F2266**Ss. 776-778 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 105, Sch. 3 Pt. 1 (with Sch. 2)

**777 Provisions supplementary to [<sup>F2267</sup>section 776].**

F2268 .....

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**Textual Amendments**

**F2267** Words in s. 777 sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 185\(13\)](#) (with [Sch. 2](#))

**F2268** Ss. 776-778 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 105](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**778 Power to obtain information.**

**F2269**

**Textual Amendments**

**F2269** Ss. 776-778 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 105](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**779 Sale and leaseback: limitation on tax reliefs.**

**F2270**

**Textual Amendments**

**F2270** Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 106](#), [Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 242](#), [Sch. 10 Pt. 9](#) (with [Sch. 9](#))

**780 Sale and leaseback: taxation of consideration received.**

**F2271**

**Textual Amendments**

**F2271** Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 106](#), [Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 242](#), [Sch. 10 Pt. 9](#) (with [Sch. 9](#))

**781 Assets leased to traders and others.**

**F2272**

**Textual Amendments**

**F2272** Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 106](#), [Sch. 3 Pt. 2](#) (with [Sch. 2](#)); and

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ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 242, Sch. 10 Pt. 9](#) (with Sch. 9)

**782 Leased assets: special cases.**

F2273  
.....

**Textual Amendments**

**F2273**Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 106, Sch. 3 Pt. 2](#) (with Sch. 2); and ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 242, Sch. 10 Pt. 9](#) (with Sch. 9)

**783 Leased assets: supplemental.**

F2274  
.....

**Textual Amendments**

**F2274**Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 106, Sch. 3 Pt. 2](#) (with Sch. 2); and ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 242, Sch. 10 Pt. 9](#) (with Sch. 9)

**784 Leased assets subject to hire-purchase agreements.**

F2275  
.....

**Textual Amendments**

**F2275**Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 106, Sch. 3 Pt. 2](#) (with Sch. 2); and ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 242, Sch. 10 Pt. 9](#) (with Sch. 9)

**785 Meaning of “asset”, “capital sum” and “lease” for purposes of sections 781 to 784.**

F2276  
.....

**Textual Amendments**

**F2276**Ss. 779-785 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 106, Sch. 3 Pt. 2](#) (with Sch. 2); and

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ss. 779-785 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 242, Sch. 10 Pt. 9](#) (with Sch. 9)

[<sup>F2277</sup>~~785A~~ **Restrictions on use of losses: leasing partnerships**

F2278  
..... ]

**Textual Amendments**

**F2277**Ss. 785ZA, 785ZB inserted (with effect in accordance with s. 83(4)-(6) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 83\(2\)](#)

**F2278**S. 785ZA repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 107, Sch. 3 Pt. 1](#) (with Sch. 2)

**785ZB Section 785ZA: definitions**

F2279  
..... ]

**Textual Amendments**

**F2277**Ss. 785ZA, 785ZB inserted (with effect in accordance with s. 83(4)-(6) of the amending Act) by [Finance Act 2006 \(c. 25\), s. 83\(2\)](#)

**F2279**S. 785ZB repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 108, Sch. 3 Pt. 1](#) (with Sch. 2)

[<sup>F2280</sup>~~785A~~ **Rent factoring of leases of plant or machinery**

F2281  
..... ]

**Textual Amendments**

**F2280**S. 785A inserted (with effect in accordance with s. 135(2) of the amending Act) by [Finance Act 2004 \(c. 12\), s. 135\(1\)](#)

**F2281**S. 785A omitted (with effect in accordance with Sch. 25 para. 10 of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 25 para. 9\(1\)\(c\)](#)

[<sup>F2282</sup>~~785B~~ **Plant and machinery leases: capital receipts to be treated as income**

F2283  
..... ]

**Textual Amendments**

**F2282**Ss. 785B-785E inserted (with effect in accordance with [Sch. 20 para. 1\(2\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\), Sch. 20 para. 1\(1\)](#) (with transitional modifications in [Sch. 20 para. 1\(3\)](#))

**F2283**S. 785B repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 109, Sch. 3 Pt. 1](#) (with Sch. 2)

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## 785C Section 785B: interpretation

F2284

### Textual Amendments

**F2282Ss.** 785B-785E inserted (with effect in accordance with Sch. 20 para. 1(2) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 20 para. 1(1)** (with transitional modifications in Sch. 20 para. 1(3))

**F2284S.** 785C repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 110, **Sch. 3 Pt. 1** (with Sch. 2)

## 785D Section 785B: lease of plant and machinery and other property

F2285

### Textual Amendments

**F2282Ss.** 785B-785E inserted (with effect in accordance with Sch. 20 para. 1(2) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 20 para. 1(1)** (with transitional modifications in Sch. 20 para. 1(3))

**F2285S.** 785D repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 111, **Sch. 3 Pt. 1** (with Sch. 2)

## 785E Section 785B: expectation that relevant capital payment will not be paid

F2286

### Textual Amendments

**F2282Ss.** 785B-785E inserted (with effect in accordance with Sch. 20 para. 1(2) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 20 para. 1(1)** (with transitional modifications in Sch. 20 para. 1(3))

**F2286S.** 785E repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 112, **Sch. 3 Pt. 1** (with Sch. 2)

## 786 Transactions associated with loans or credit.

F2287

### Textual Amendments

**F2287S.** 786 repealed for specified purposes (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 113, **Sch. 3 Pt. 2** (with Sch. 2); and s. 786 repealed for remaining purposes (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 266, **Sch. 10 Pt. 10** (with Sch. 9)

## 787 Restriction of relief for payments of interest.

F2288

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### Textual Amendments

**F2288S. 787** repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 7 para. 49, Sch. 10 Pt. 12](#) (with Sch. 9)

## PART XVIII

### DOUBLE TAXATION RELIEF

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

- C43** Pt. 18 modified (3.5.1994) by [Finance Act 1994 \(c. 9\), Sch. 20 para. 10](#) (as amended by [Finance Act 1995 \(c. 4\), s. 122\(4\)\(5\)](#)) (with Sch. 20 para. 12(2)(a))
- C44** Pt. 18 applied (with effect in accordance with Sch. 29 Pt. 14 of the affecting Act) by [Finance Act 2002 \(c. 23\), Sch. 29 para. 87](#)
- C45** Pt. 18 modified (22.7.2004) by [Finance Act 2004 \(c. 12\), s. 107\(5\)](#)
- C46** Pt. 18 applied by [Finance Act 1996 \(c. 8\), Sch. 9 para. 12E\(5\)](#) (as inserted (29.11.2007 with effect in accordance with regs. 1(2), 3(1) of the amending S.I. (as amended by [S.I. 2008/1579, reg. 4\(1\)](#))) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 1 para. 16](#))
- C47** Pt. 18 applied by [Finance Act 2002 \(c. 23\), Sch. 26 para. 30E\(5\)](#) (as inserted (29.11.2007 with effect in accordance with regs. 1(2), 3(1) of the amending S.I. (as amended by [S.I. 2008/1579, reg. 4\(1\)](#))) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 1 para. 19](#))
- C48** Pt. 18 applied by [Finance Act 1996 \(c. 8\), Sch. 9 para. 12C\(3\)](#) (as substituted (29.11.2007 with effect in accordance with regs. 1(2), 3(2) of the amending S.I.) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 2 para. 8](#))
- C49** Pt. 18 applied by [Finance Act 2002 \(c. 23\), Sch. 26 para. 30C\(3\)](#) (as substituted (29.11.2007 with effect in accordance with regs. 1(2), 3(2) of the amending S.I.) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 2 para. 10](#))
- C50** Pt. 18 applied by [Finance Act 2002 \(c. 23\), Sch. 29 para. 87A\(3\)](#) (as substituted (29.11.2007 with effect in accordance with regs. 1(2), 3(2) of the amending S.I.) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 2 para. 12](#))
- C51** Pt. 18 applied by [Taxation of Chargeable Gains Act 1992 \(c. 12\), ss. 140H\(3\), 140I\(3\), 140J\(3\)](#) (as inserted (29.11.2007 with effect in accordance with regs. 1(2), 3(3) of the amending S.I. (as amended by [S.I. 2008/1579, reg. 4\(2\)](#))) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 3 para. 1](#))
- C52** Pt. 18 applied by [Finance Act 1996 \(c. 8\), Sch. 9 paras. 12H\(3\), 12I\(3\)](#) (as inserted (29.11.2007 with effect in accordance with regs. 1(2), 3(3) of the amending S.I. (as amended by [S.I. 2008/1579, reg. 4\(2\)](#))) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 3 para. 2](#))
- C53** Pt. 18 applied by [Finance Act 2002 \(c. 23\), Sch. 26 paras. 30G\(3\), 30H\(3\)](#) (as inserted (29.11.2007 with effect in accordance with regs. 1(2), 3(3) of the amending S.I. (as amended by [S.I. 2008/1579, reg. 4\(2\)](#))) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 3 para. 4](#))
- C54** Pt. 18 applied by [Finance Act 2002 \(c. 23\), Sch. 29 paras. 85B\(3\), 85C\(3\)](#) (as inserted (29.11.2007 with effect in accordance with regs. 1(2), 3(3) of the amending S.I. (as amended by [S.I. 2008/1579, reg. 4\(2\)](#))) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2007 \(S.I. 2007/3186\), Sch. 3 para. 5](#))

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- C55** Pt. 18: power to amend conferred (1.4.2009 with effect in accordance with s. 1329(1) of the affecting Act) by [Corporation Tax Act 2009 \(c. 4\), s. 533\(2\)\(3\)](#) (with [Sch. 2 Pts. 1, 2](#))
- C56** Pt. 18 modified (with effect in accordance with s. 56(3) of the modifying Act) by [Finance Act 2009 \(c. 10\), s. 56\(1\)](#)

## F2289 CHAPTER I

### THE PRINCIPAL RELIEFS

#### Textual Amendments

**F2289** Pt. 18 Chs. 1, 2 modified (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\), ss. 277\(1\), 289](#) (with ss. 60, 101(1), 171, 201(3))

#### 788 Relief by agreement with other [<sup>F2290</sup>territories].

F2291 .....

#### Textual Amendments

**F2290** Word in s. 788 sidenote substituted (with effect in accordance with s. 88(3) of the amending Act) by [Finance Act 2002 \(c. 23\), s. 88\(2\)\(b\)](#)

**F2291** S. 788 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 13, Sch. 10 Pt. 1](#) (with Sch. 9)

#### 789 Arrangements made under old law.

F2292 .....

#### Textual Amendments

**F2292** S. 789 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 14, Sch. 10 Pt. 1](#) (with Sch. 9)

#### 790 Unilateral relief.

F2293 .....

#### Textual Amendments

**F2293** S. 790 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 15, Sch. 10 Pt. 1](#) (with Sch. 9)

#### 791 Power to make regulations for carrying out section 788.

F2294 .....



*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2294**S. 791 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 16, Sch. 10 Pt. 1](#) (with Sch. 9)

**CHAPTER II**

**RULES GOVERNING RELIEF BY WAY OF CREDIT**

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

**C57** Pt. 18 Chs. 1, 2 modified (6.3.1992 with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\), ss. 277\(1\), 289](#) (with ss. 60, 101(1), 171, 201(3))

*General*

**792 Interpretation of credit code.**

**F2295** .....

**Textual Amendments**

**F2295**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**793 Reduction of United Kingdom taxes by amount of credit due.**

**F2296** .....

**Textual Amendments**

**F2296**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

[<sup>F2297</sup>**793A No double relief etc.**

**F2298** .....]

**Textual Amendments**

**F2297**S. 793A inserted (with effect in accordance with Sch. 30 para. 5(2)(3) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 30 para. 5\(1\)](#)

*Status: Point in time view as at 19/07/2013.*

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**F2298** Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**794 Requirement as to residence.**

**F2299** .....

**Textual Amendments**

**F2299** Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**795 Computation of income subject to foreign tax.**

**F2300** .....

**Textual Amendments**

**F2300** Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**[<sup>F2301</sup>795A Limits on credit: minimisation of the foreign tax.**

**F2302** ..... ]

**Textual Amendments**

**F2301** S. 795A inserted (with effect in accordance with [Sch. 30 para. 6\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 30 para. 6\(1\)](#)

**F2302** Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**796 Limits on credit: income tax.**

**F2303** .....

**Textual Amendments**

**F2303** Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

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## 797 Limits on credit: corporation tax.

F2304 .....

### Textual Amendments

**F2304**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 17, **Sch. 10 Pt. 1** (with Sch. 9)

## [<sup>F2305</sup>797 Foreign tax on [<sup>F2306</sup>items giving rise to] a non-trading credit [<sup>F2307</sup>: loan relationships].

F2308 .....

### Textual Amendments

**F2305**S. 797A inserted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), **Sch. 14 para. 43** (with Sch. 15)

**F2306**Word in s. 797A sidenote substituted (with effect in accordance with Sch. 30 para. 7(4) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 7(3)**

**F2307**Words in s. 797A sidenote added (24.7.2002) by Finance Act 2002 (c. 23), **Sch. 30 para. 5(3)**

**F2308**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 17, **Sch. 10 Pt. 1** (with Sch. 9)

## [<sup>F2309</sup>797 Foreign tax on items giving rise to a non-trading credit: intangible fixed assets

F2310 .....

### Textual Amendments

**F2309**S. 797B inserted (24.7.2002) by Finance Act 2002 (c. 23), **Sch. 30 para. 5(4)**

**F2310**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 17, **Sch. 10 Pt. 1** (with Sch. 9)

## 798 Section 796: trade income

F2311 .....

### Textual Amendments

**F2311**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 17, **Sch. 10 Pt. 1** (with Sch. 9)

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**[<sup>F2312</sup>798A Section 797: trade income**

**F2313** ..... ]

**Textual Amendments**

**F2312**S. 798A inserted (with effect in accordance with s. 103(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 104](#)

**F2313**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**[<sup>F2314</sup>798B Section 798A: special cases**

**F2315** ..... ]

**Textual Amendments**

**F2314**S. 798B inserted (with effect in accordance with s. 103(2)(3) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 105](#)

**F2315**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

**[<sup>F2316</sup>798C Disallowed credit: use as deduction**

**F2317** ..... ]

**Textual Amendments**

**F2316**Ss. 798-798C substituted for ss. 798-798B (with effect in accordance with s. 86(3)-(5) of the amending Act) by [Finance Act 2005 \(c. 7\), s. 86\(1\)](#)

**F2317**Ss. 792-798C repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 17, Sch. 10 Pt. 1](#) (with Sch. 9)

*Tax underlying dividends*

**799 Computation of underlying tax.**

**F2318** .....

**Textual Amendments**

**F2318**S. 799 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 18, Sch. 10 Pt. 1](#) (with Sch. 9)

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**800 Dividends paid between related companies but not covered by arrangements.**

F2319 .....

**Textual Amendments**

**F2319**S. 800 repealed (with effect in accordance with Sch. 30 para. 10(2) of the repealing Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 30 para. 10\(1\)](#), [Sch. 40 Pt. 2\(13\)](#), Note

**801 Dividends paid between related companies: relief for U.K. and third country taxes.**

F2320 .....

**Textual Amendments**

**F2320**Ss. 801-801B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 18](#), [Sch. 10 Pt. 1](#) (with [Sch. 9](#))

[<sup>F2321</sup>**801** ~~R~~Restriction of relief for underlying tax.

F2322 ..... ]

**Textual Amendments**

**F2321**S. 801A inserted (with effect in accordance with s. 90(2) of the amending Act) by [Finance Act 1997 \(c. 16\)](#), [s. 90\(1\)](#)  
**F2322**Ss. 801-801B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 18](#), [Sch. 10 Pt. 1](#) (with [Sch. 9](#))

[<sup>F2323</sup>**801** ~~D~~Dividends paid out of transferred profits.

F2324 ..... ]

**Textual Amendments**

**F2323**S. 801B inserted (with effect in accordance with [Sch. 30 para. 12\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), [Sch. 30 para. 12\(1\)](#)  
**F2324**Ss. 801-801B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 18](#), [Sch. 10 Pt. 1](#) (with [Sch. 9](#))

[<sup>F2325</sup>**801** ~~S~~Separate streaming of dividend so far as representing an ADP dividend of a CFC.

F2326 ..... ]

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F2325S.** 801C inserted (with effect in accordance with Sch. 30 para. 13(2)(3) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 13(1)**

**F2326S.** 801C omitted (with effect in accordance with Sch. 16 para. 6 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 16 para. 2(4)** (with Sch. 16 paras. 7, 8)

### 802 U.K. insurance companies trading overseas.

F2327

#### Textual Amendments

**F2327S.** 802 repealed (with effect in accordance with Sch. 30 para. 14(2) of the repealing Act) by Finance Act 2000 (c. 17), Sch. 30 para. 14(1), **Sch. 40 Pt. 2(13)**, Note

### 803 Underlying tax reflecting interest on loans.

F2328

#### Textual Amendments

**F2328Ss. 803-804E** repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

### [<sup>F2329</sup>803 Foreign taxation of group as a single entity.

F2330

#### Textual Amendments

**F2329S.** 803A inserted (with effect in accordance with Sch. 30 para. 15(2) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 15(1)**

**F2330Ss. 803-804E** repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

#### *Miscellaneous rules*

### 804 Relief against income tax in respect of income arising in years of commencement.

F2331

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

**F2331** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

[<sup>F2332</sup> **804ZA** **Schemes and arrangements designed to increase relief**

F2333  
.....

**Textual Amendments**

**F2332** Ss. 804ZA-804ZC inserted (with effect in accordance with s. 87(3)-(5) of the amending Act) by [Finance Act 2005 \(c. 7\)](#), **s. 87(1)**  
**F2333** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

**804ZB** **Effect of notice under section 804ZA**

F2334  
.....

**Textual Amendments**

**F2332** Ss. 804ZA-804ZC inserted (with effect in accordance with s. 87(3)-(5) of the amending Act) by [Finance Act 2005 \(c. 7\)](#), **s. 87(1)**  
**F2334** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

**804ZC** **Notices under section 804ZA: further provision**

F2335  
.....]

**Textual Amendments**

**F2332** Ss. 804ZA-804ZC inserted (with effect in accordance with s. 87(3)-(5) of the amending Act) by [Finance Act 2005 \(c. 7\)](#), **s. 87(1)**  
**F2335** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

[<sup>F2337</sup> **804A**<sup>F2336</sup> **Life assurance companies with overseas branches etc: restriction of credit.**]

F2338  
.....]

*Status: Point in time view as at 19/07/2013.*

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**Textual Amendments**

- F2336**S. 804A sidenote substituted (with effect in accordance with [Sch. 30 para. 16\(6\)](#) of the amending Act) by virtue of [Finance Act 2000 \(c. 17\)](#), **Sch. 30 para. 16(5)**
- F2337**S. 804A inserted (with effect in accordance with [Sch. 7 para. 10](#) of the amending Act) by [Finance Act 1990 \(c. 29\)](#), **Sch. 7 para. 5**
- F2338**Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 19](#), **Sch. 10 Pt. 1** (with [Sch. 9](#))

**[<sup>F2339</sup>804B Insurance companies carrying on more than one category of business: restriction of credit.**

<sup>F2340</sup> .....

**Textual Amendments**

- F2339**S. 804B inserted (with effect in accordance with [Sch. 30 para. 17\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 30 para. 17(1)**
- F2340**Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 19](#), **Sch. 10 Pt. 1** (with [Sch. 9](#))

**[<sup>F2341</sup>804C Insurance companies: allocation of expenses etc in computations under [<sup>F2342</sup>section 35 of CTA 2009].**

<sup>F2343</sup> .....

**Textual Amendments**

- F2341**Ss. 804C-804E inserted (with effect in accordance with [Sch. 30 para. 18\(4\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 30 para. 18(1)**
- F2342**Words in s. 804C heading substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), **Sch. 1 para. 251(3)** (with [Sch. 2 Pts. 1, 2](#))
- F2343**Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 19](#), **Sch. 10 Pt. 1** (with [Sch. 9](#))

**804D Interpretation of section 804C in relation to life assurance business etc.**

<sup>F2344</sup> .....

**Textual Amendments**

- F2341**Ss. 804C-804E inserted (with effect in accordance with [Sch. 30 para. 18\(4\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\)](#), **Sch. 30 para. 18(1)**
- F2344**Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 19](#), **Sch. 10 Pt. 1** (with [Sch. 9](#))



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## 804E Interpretation of section 804C in relation to other insurance business.

F2345 ..... ]

### Textual Amendments

**F2341** Ss. 804C-804E inserted (with effect in accordance with Sch. 30 para. 18(4) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 18(1)**

**F2345** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

## [<sup>F2346</sup>804F Interpretation of sections 804A to 804E.

F2347 ..... ]

### Textual Amendments

**F2346** S. 804F inserted (with effect in accordance with Sch. 30 para. 19(2) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 19(1)**

**F2347** S. 804F repealed (with effect in accordance with Sch. 10 para. 17(2) of the repealing Act) by Finance Act 2007 (c. 11), Sch. 10 para. 14(2)(e), **Sch. 27 Pt. 2(10)**, Note

## [<sup>F2348</sup>804G Reduction in credit: payment by reference to foreign tax

F2349 ..... ]

### Textual Amendments

**F2348** S. 804G inserted (with effect in accordance with s. 59(13) of the amending Act) by Finance Act 2009 (c. 10), **s. 59(2)**

**F2349** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

## 805 Elections against credit.

F2350 .....

### Textual Amendments

**F2350** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 19, **Sch. 10 Pt. 1** (with Sch. 9)

## 806 Time limit for claims etc.

F2351 .....

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F2351** Ss. 803-804E, 804G-806 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 19, Sch. 10 Pt. 1](#) (with [Sch. 9](#)) (subject to amendment to s. 806 by [Finance Act 2008 \(c. 9\), s. 118\(2\), Sch. 39 para. 24; S.I. 2009/403, arts. 2\(2\), 10](#))

*f<sup>F2352</sup> Foreign dividends: onshore pooling and utilisation of eligible unrelieved foreign tax*

#### Textual Amendments

**F2352** Ss. 806A-806H, 806J and cross-heading inserted (with effect in accordance with [Sch. 30 para. 21\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 30 para. 21\(1\)](#)

### 806A Eligible unrelieved foreign tax on dividends: introductory.

F2353  
 .....

#### Textual Amendments

**F2353** Ss. 806A-806K omitted (with effect in accordance with [Sch. 14 para. 31](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 14 para. 9](#) (subject to amendment to s. 806A by: [Corporation Tax Act 2010 \(c. 4\), s. 1184\(1\), Sch. 1 para. 114 \(with Sch. 2\)](#); [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 20 \(with Sch. 9\)](#))

### 806B The amounts that are eligible unrelieved foreign tax.

F2354  
 .....

#### Textual Amendments

**F2354** Ss. 806A-806K omitted (with effect in accordance with [Sch. 14 para. 31](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 14 para. 9](#) (subject to amendment to s. 806B by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 21 \(with Sch. 9\)](#))

### 806C Onshore pooling.

F2355  
 .....

#### Textual Amendments

**F2355** Ss. 806A-806K omitted (with effect in accordance with [Sch. 14 para. 31](#) of the repealing Act) by virtue of [Finance Act 2009 \(c. 10\), Sch. 14 para. 9](#) (subject to amendment to s. 806C by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), s. 381\(1\), Sch. 8 para. 22 \(with Sch. 9\)](#))

*Status: Point in time view as at 19/07/2013.*

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## 806D Utilisation of eligible unrelieved foreign tax.

F2356  
.....

### Textual Amendments

**F2356**Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9** (subject to amendment to s. 806D by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), Sch. 8 para. 23 (with **Sch. 9**))

## 806E Rules for carry back of relievable tax under section 806D.

F2357  
.....

### Textual Amendments

**F2357**Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9**

## 806F Credit to be given for underlying tax before other foreign tax etc.

F2358  
.....

### Textual Amendments

**F2358**Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9** (subject to amendment to s. 806F by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), Sch. 8 para. 24 (with **Sch. 9**))

## 806G Claims for the purposes of section 806D(4) or (5).

F2359  
.....

### Textual Amendments

**F2359**Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9** (subject to amendment to s. 806G by Finance Act 2008 (c. 9), s. 118(2), **Sch. 39 para. 25**; S.I. 2009/403, arts. 2(2), 10)

## 806H Surrender of relievable tax by one company in a group to another.

F2360  
.....

### Textual Amendments

**F2360**Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9**

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**806J Interpretation of foreign dividend provisions of this Chapter.**

F2361 ..... ]

**Textual Amendments**

**F2361** Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9** (subject to amendment to s. 806J by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), Sch. 8 para. 25 (with **Sch. 9**))

*<sup>F2362</sup> Application of foreign dividend provisions to branches or agencies in the UK of persons resident elsewhere*

**Textual Amendments**

**F2362** S. 806K and cross-heading inserted (with effect in accordance with Sch. 30 para. 22(2) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 22(1)**

**806K Application of foreign dividend provisions to branches or agencies in the UK of persons resident elsewhere.**

F2363 ..... ]

**Textual Amendments**

**F2363** Ss. 806A-806K omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 9**

*<sup>F2364</sup> Unrelieved foreign tax: profits of overseas branch or agency*

**Textual Amendments**

**F2364** Ss. 806L, 806M and cross-heading inserted (with effect in accordance with Sch. 30 para. 23(2)(3) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 23(1)**

**806L Carry forward or carry back of unrelieved foreign tax.**

F2365 ..... ]

**Textual Amendments**

**F2365** Ss. 806L, 806M repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 26, **Sch. 10 Pt. 1**

**806M Provisions supplemental to section 806L.**

F2366 ..... ]

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Textual Amendments**

**F2366**Ss. 806L, 806M repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 26](#), [Sch. 10 Pt. 1](#) (subject to amendment to s. 806M by [Finance Act 2008 \(c. 9\), s. 118\(2\)](#), [Sch. 39 para. 26](#); S.I. 2009/403, [arts. 2\(2\), 10](#))

**CHAPTER III**

**MISCELLANEOUS PROVISIONS**

**807 Sale of securities with or without accrued interest.**

**F2367** .....

**Textual Amendments**

**F2367**Ss. 807, 807A repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 27](#), [Sch. 10 Pt. 1](#) (with [Sch. 9](#))

[<sup>F2368</sup>**807A Disposals and acquisitions of company loan relationships with or without interest.**

**F2369** .....]

**Textual Amendments**

**F2368**S. 807A inserted (with effect in accordance with s. 105(1) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 14 para. 46](#) (with [Sch. 15](#))

**F2369**Ss. 807, 807A repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 27](#), [Sch. 10 Pt. 1](#) (with [Sch. 9](#))

[<sup>F2370</sup>*European cross-border transfers of business*

**Textual Amendments**

**F2370**S. 807B and preceding cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 257](#) (with [Sch. 2 Pts. 1, 2](#))

**807B Introduction to section 807C**

**F2371** .....

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**Textual Amendments**

**F2371** Ss. 807B-807G repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 28, **Sch. 10 Pt. 1** (with Sch. 9)

**[** **F2372** **807C** **Tax treated as chargeable in respect of transfer of loan relationship, derivative contract or intangible fixed assets**

**F2373** .....]]

**Textual Amendments**

**F2372** S. 807C inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 258** (with Sch. 2 Pts. 1, 2)  
**F2373** Ss. 807B-807G repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 28, **Sch. 10 Pt. 1** (with Sch. 9)

*[* **F2374** *European cross-border mergers*

**Textual Amendments**

**F2374** S. 807D and preceding cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 259** (with Sch. 2 Pts. 1, 2)

**807D Introduction to section 807E**

**F2375** .....

**Textual Amendments**

**F2375** Ss. 807B-807G repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 28, **Sch. 10 Pt. 1** (with Sch. 9)

**[** **F2376** **807E** **Tax treated as chargeable in respect of transfer of loan relationship, derivative contract or intangible fixed assets**

**F2377** .....]]

**Textual Amendments**

**F2376** S. 807E inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 260** (with Sch. 2 Pts. 1, 2)

*Status: Point in time view as at 19/07/2013.*

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**F2377** Ss. 807B-807G repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 28, **Sch. 10 Pt. 1** (with Sch. 9)

*<sup>F2378</sup>Transparent entities involved in cross-border transfers and mergers*

#### Textual Amendments

**F2378** S. 807F and preceding cross-heading inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 261** (with Sch. 2 Pts. 1, 2)

### 807F Introduction to section 807G

F2379

#### Textual Amendments

**F2379** Ss. 807B-807G repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 28, **Sch. 10 Pt. 1** (with Sch. 9)

### <sup>F2380</sup> Tax treated as chargeable in respect of relevant transactions

**807G** <sup>F2381</sup> .....

#### Textual Amendments

**F2380** S. 807G inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 262** (with Sch. 2 Pts. 1, 2)

**F2381** Ss. 807B-807G repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 28, **Sch. 10 Pt. 1** (with Sch. 9)

### 808 Restriction on deduction of interest or dividends from trading income.

F2382

#### Textual Amendments

**F2382** S. 808 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 115, **Sch. 3 Pt. 1** (with Sch. 2)

### <sup>F2383</sup> Interest: special relationship.

F2384

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**Textual Amendments**

**F2383**S. 808A inserted (16.7.1992 with application in relation to interest paid after 14.5.1992) by [Finance \(No. 2\) Act 1992 \(c. 48\), s.52](#)

**F2384**Ss. 808A-809 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 29, Sch. 10 Pt. 1 \(with Sch. 9\)](#)

[<sup>F2385</sup>**808** **Royalties: special relationship.**

F2386  
.....]

**Textual Amendments**

**F2385**S. 808B inserted (with effect in accordance with [Sch. 30 para. 25\(2\)](#) of the amending Act) by [Finance Act 2000 \(c. 17\), Sch. 30 para. 25\(1\)](#)

**F2386**Ss. 808A-809 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 29, Sch. 10 Pt. 1 \(with Sch. 9\)](#)

**809 Relief in respect of discretionary trusts.**

F2387  
.....

**Textual Amendments**

**F2387**Ss. 808A-809 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 29, Sch. 10 Pt. 1 \(with Sch. 9\)](#)

**810 Postponement of capital allowances to secure double taxation relief.**

F2388  
.....

**Textual Amendments**

**F2388**S. 810 repealed (with effect in accordance with [Sch. 30 para. 26\(2\)](#) of the repealing Act) by [Finance Act 2000 \(c. 17\), Sch. 30 para. 26\(1\), Sch. 40 Pt. 2\(13\), Note](#)

**811 Deduction for foreign tax where no credit allowable.**

F2389  
.....

**Textual Amendments**

**F2389**S. 811 repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 29, Sch. 10 Pt. 1 \(with Sch. 9\)](#)



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**812 Withdrawal of right to tax credit of certain non-resident companies connected with unitary states.**

F2390  
.....

**Textual Amendments**

**F2390**Ss. 812-814 repealed (31.1.2013) by Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), Sch. 1 Pt. 10  
Group 1

**813 Recovery of tax credits incorrectly paid.**

F2391  
.....

**Textual Amendments**

**F2391**Ss. 812-814 repealed (31.1.2013) by Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), Sch. 1 Pt. 10  
Group 1

**814 Arrangements to avoid section 812.**

F2392  
.....

**Textual Amendments**

**F2392**Ss. 812-814 repealed (31.1.2013) by Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), Sch. 1 Pt. 10  
Group 1

**815 Power to inspect documents.**

F2393  
.....

**Textual Amendments**

**F2393**S. 815 omitted (13.8.2009) by virtue of The Finance Act 2009, Schedule 47 (Consequential Amendments) Order 2009 (S.I. 2009/2035), art. 1, Sch. para. 23

[<sup>F2394</sup>**815A** **Transfer of a non-UK trade.**

F2395  
..... ]

**Textual Amendments**

**F2394**S. 815A inserted (16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. 50  
**F2395**Ss. 815A-815B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 32, Sch. 10 Pt. 1 (with Sch. 9)

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[<sup>F2396</sup>**815AZA Residents and foreign enterprises**

F2397 ..... ]

**Textual Amendments**

**F2396S.** 815AZA inserted (with effect in accordance with s. 59(2) of the amending Act) by Finance Act 2008 (c. 9), s. 59(1)

**F2397Ss.** 815A-815B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 32, **Sch. 10 Pt. 1** (with Sch. 9)

[<sup>F2398</sup>**815AA Mutual agreement procedure and presentation of cases under arrangements.**

F2399 ..... ]

**Textual Amendments**

**F2398S.** 815AA inserted (with effect in accordance with Sch. 30 para. 28(2)(3) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 30 para. 28(1)**

**F2399Ss.** 815A-815B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 32, **Sch. 10 Pt. 1** (with Sch. 9)

[<sup>F2400</sup>**815B The Arbitration Convention.**

F2401 ..... ]

**Textual Amendments**

**F2400S.** 815B inserted (16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. 51(1)

**F2401Ss.** 815A-815B repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 32, **Sch. 10 Pt. 1** (with Sch. 9)

[<sup>F2402</sup>**815C Exchange of information with other [<sup>F2403</sup>territories].**

F2404 ..... ]

**Textual Amendments**

**F2402S.** 815C inserted (28.7.2000) by Finance Act 2000 (c. 17), s. 146(1)

**F2403** Word in s. 815C sidenote substituted (with effect in accordance with s. 88(3) of the amending Act) by Finance Act 2002 (c. 23), s. 88(2)(b)

**F2404S.** 815C repealed (19.7.2006) by Finance Act 2006 (c. 25), **Sch. 26 Pt. 8(2)**

**816 Disclosure of information.**

F2405 ..... ]

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**Textual Amendments**

**F2405S. 816** repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\), Sch. 8 para. 32, Sch. 10 Pt. 1](#) (with [Sch. 9](#)) (subject to the omission of s. 816(3), so far as it continues to have effect, by virtue of [Finance Act 2011 \(c. 11\), Sch. 23 paras. 55\(e\), 65](#))

**PART XIX**

**SUPPLEMENTAL**

*Miscellaneous*

**817 Deductions not to be allowed in computing profits or gains.**

**F2406** . . . . .

**Textual Amendments**

**F2406S. 817** repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 265, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**818 Arrangements for payments of interest less tax or of fixed net amount.**

**F2407** . . . . .

**Textual Amendments**

**F2407S. 818** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 203, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**819 Old references to standard rate tax.**

**F2408** . . . . .

**Textual Amendments**

**F2408S. 819** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 204, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**820 Application of Income Tax Acts from year to year.**

<sup>M96</sup> In order to ensure the collection in due time of income tax which may be granted for any year commencing on 6th April, all such provisions contained in the Income Tax Acts as were in force on the preceding day shall have full force and effect with respect to tax which may be so granted, in the same manner as if

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that tax had been actually granted by Act of Parliament and those provisions had been applied thereto by the Act.

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

**C58** S. 820 applied (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\), s. 883\(1\)\(2\), Sch. 2 para. 160](#)

**Marginal Citations**

**M96** Source—1970 s.520

**821 Under-deductions from payments made before passing of annual Act.**

<sup>M97</sup>(1) Where, in any year of assessment [<sup>F2409</sup>or accounting period], any half-yearly or quarterly payments [<sup>F2410</sup>(or half-periodic or quarterly payments)] have been made on account of any interest, dividends or other annual profits or gains, previously to the passing of the Act imposing income [<sup>F2411</sup>or corporation] tax for that year [<sup>F2412</sup>or period], and tax has not been charged thereon or deducted therefrom or has not been charged thereon or deducted therefrom at the rate ultimately imposed for that year [<sup>F2412</sup>or period]—

- (a) the amount not so charged or deducted shall be charged [<sup>F2413</sup>in respect of those payments to income tax under Chapter 2 of Part 4 of ITTOIA 2005 (interest) or shall be charged to corporation tax][<sup>F2414</sup><sup>F2415</sup> . . . <sup>F2416</sup> . . . ; and]
- (b) the agents entrusted with the payment of the interest, dividends or other annual profits or gains shall furnish to the Board a list containing the names and addresses of the persons to whom payments have been made and the amount of those payments, upon a requisition made by the Board in that behalf.

(2) Any person liable to pay any rent, interest or annuity, or to make any other annual payment—

- (a) shall be authorised—
  - (i) to make any deduction on account of income tax for any year of assessment which he has failed to make previously to the passing of the Act imposing the tax for that year, or
  - (ii) to make up any deficiency in any such deduction which has been so made,

on the occasion of the next payment of the rent, interest or annuity or making of the other annual payment after the passing of the Act so imposing the tax, in addition to any other deduction which he may be by law authorised to make; and

- (b) shall also be entitled, if there is no future payment from which the deduction may be made, to recover the sum which might have been deducted as if it were a debt due from the person as against whom the deduction could originally have been made if the Act imposing the tax for the year had been in force.

(3) Subsection (2) above shall apply with respect to—

[<sup>F2417</sup>(a) any payment to which section 906 of ITA 2007 applies (certain royalties etc where usual place of abode of owner is abroad), and]

[<sup>F2418</sup>(aa) <sup>F2419</sup> . . . . .]

- (b) any royalty or other sum paid in respect of the user of a patent; <sup>F2420</sup> . . .

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<sup>F2420</sup>(c) .....

as it applies with respect to any rent, interest, annuity or other annual payment.

(4) In this section “interest” and “dividends” do not include any interest or dividend which is a distribution.

#### Textual Amendments

- F2409** Words in s. 821(1) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 330\(a\)](#) (with Sch. 2)
- F2410** Words in s. 821(1) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 330\(b\)](#) (with Sch. 2)
- F2411** Words in s. 821(1) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 330\(c\)](#) (with Sch. 2)
- F2412** Words in s. 821(1) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 330\(d\)](#) (with Sch. 2)
- F2413** Words in s. 821(1)(a) inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 330\(e\)](#) (with Sch. 2)
- F2414** Words in s. 821(1)(a) substituted (with effect in accordance with [Sch. 6 para. 28](#) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 6 para. 22](#)
- F2415** Words in s. 821(1)(a) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 266](#), [Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)
- F2416** Words in s. 821(1)(a) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 330\(f\)](#), [Sch. 3](#) (with Sch. 2)
- F2417** S. 821(3)(a) substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 205\(a\)](#) (with Sch. 2)
- F2418** S. 821(3)(aa) inserted (1.8.1989) by [Copyright, Designs and Patents Act 1988 \(c. 48\)](#), [Sch. 7 para. 36\(7\)](#); S.I. 1989/816 art. 2
- F2419** S. 821(3)(aa) and word repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 205\(b\)](#), [Sch. 3 Pt. 1](#) (with Sch. 2)
- F2420** S. 821(3)(c) and preceding word repealed (with effect in accordance with [Sch. 18 Pt. 6\(2\)](#) Note of the repealing Act) by [Finance Act 1997 \(c. 16\)](#), [Sch. 18 Pt. 6\(2\)](#)

#### Marginal Citations

**M97** Source—1970 s.521; 1972 Sch.24 29; 1983 s.27.

## 822 Over-deductions from interest on loan capital etc. made before passing of annual Act.

<sup>M98</sup>(1) If in any year of assessment (“the year”) a resolution having statutory effect under the Provisional Collection of Taxes Act 1968 provides for the charging of income tax at a [<sup>F2421</sup>lower rate less] than that charged for the previous year, the following provisions of this section shall have effect with respect to deductions in respect of income tax by any body corporate, from payments of interest (not being a distribution) on any of its securities.

(2) Any deduction which was made before the expiration of one month from the passing of the resolution and which would, if the tax had been renewed at the rate imposed for the previous year, have been a legal deduction, shall be deemed to be a deduction rendered legal by section 2 of the Provisional Collection of Taxes Act 1968 and that section shall, subject to this section, apply accordingly.

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- (3) Any over-deduction to be made good under that section may be made good by a reduction of the amount of tax deducted from the next payment of like nature made on the security in question after the passing of the Act imposing the tax for the year.
- (4) Any amount made good under section 2 of the Provisional Collection of Taxes Act 1968 shall—
- (a) in the case of an over-deduction which is made good under subsection (3) above, enure to the benefit of the person entitled to the payment on the occasion of which the over-deduction is made good; and
  - (b) in any other case, enure to the benefit of the person entitled to the security in question at the date when the amount is made good,
- irrespective, in either case, of whether or not he is the person who was entitled to the payment, or to the security at the date when the original deduction was made.
- (5) Subsection (3) above shall not authorise the retention of any part of the amount over-deducted for more than one year from the passing of the Act imposing the tax for the year.

#### Textual Amendments

**F2421** Words in s. 822(1) substituted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by Finance Act 1996 (c. 8), Sch. 6 para. 23

#### Marginal Citations

**M98** Source—1970 s.522; 1971 Sch.6 76; 1972 Sch.24 30

### 823 Adjustments of reliefs where given at different times.

F2422

#### Textual Amendments

**F2422** S. 823 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 206, Sch. 3 Pt. 1 (with Sch. 2)

### 824 Repayment supplements: individuals and others.

- [<sup>F2423</sup>(1) Subject to the following provisions of this section, a repayment made by the Board or an officer of the Board of any of the following, namely—
- (a) an amount paid on account of income tax under section 59A of the Management Act;
  - (b) any income tax paid by or on behalf of an individual for a year of assessment;
  - [<sup>F2424</sup>(c) a penalty payable under any paragraph of Schedule 56 to the Finance Act 2009 in respect of an amount falling within any of the following items of the Table in paragraph 1 of that Schedule—
    - (i) item 1, 12, 18 or 19; or
    - (ii) insofar as the tax falls within item 1, item 17, 23 or 24; and]
  - (d) a penalty incurred by an individual under any of the provisions of that Act,

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shall be increased under this section by an amount (a “repayment supplement”) equal to interest on the amount repaid at the rate applicable under section 178 of the Finance Act 1989 for the period (if any) between the relevant time and the date on which the order for the repayment is issued.]

[<sup>F2425F2426</sup>(1A) . . . . .]

(2) [<sup>F2427M99</sup>Subsections (1) <sup>F2428</sup>. . . ] above shall with the necessary modifications apply to a payment of the whole or part of a tax credit as [<sup>F2429</sup>they apply to a repayment falling within subsection (1)] of income tax paid in the year of assessment to which the tax credit relates.

[<sup>F2430F2431</sup>(2A) Subsection (1) above shall apply to a repayment made in consequence of a claim under section 228 of the Income Tax Act 1952 (relief in respect of income accumulated under trusts) as if the repayment were of income tax paid by the claimant for the year of assessment in which the contingency mentioned in that section happened.]

[<sup>F2432</sup>(2B) Subsection (1) above shall apply to a payment made by the Board under section 375(8) (payment of amount which borrower would have been able to deduct from interest payment under section 369(1)) as if the payment were a repayment falling within that subsection.]

[<sup>F2430</sup>(2C) Subsection (1) above shall apply to a repayment made by the Board as a result of a claim for relief under—

- (a) paragraph 2 of Schedule 1B to the Management Act (carry back of loss relief),
  - (b) paragraph 3 of that Schedule (relief for fluctuating profits of farming etc.), or
  - (c) Schedule 4A to this Act (relief for fluctuating profits of creative artists etc.),
- as if it were a repayment falling within that subsection.]

[<sup>F2433</sup>(2D) Subsection (1) shall apply—

- (a) <sup>F2434</sup> . . . . .
- (b) to a payment made under paragraph 6(1) of Schedule 14 (payment where entitlement to life assurance premium relief has not been given by deduction) as if the payment were a repayment of income tax paid for the tax year in which the entitlement to relief arose.]

[<sup>F2435</sup>(3) For the purposes of subsection (1) above—

[<sup>F2436</sup>(aa) if the repayment is a payment made by the Board under section 375(8), the relevant time is—

- (i) if the interest payment was made in the year 1996-97 or a subsequent year of assessment, the 31st January next following that year;
- (ii) if the interest payment was made in an earlier year of assessment, the 5th April next following that year;]

[<sup>F2437</sup>(ab) if the repayment is a repayment as a result of a claim for relief under any of the provisions mentioned in subsection (2C) above, the relevant time is the 31st January next following the year that is the later year in relation to the claim;]

[<sup>F2438</sup>(ac) if the repayment is a repayment as a result of a claim under section 496B of ITA 2007 (relief for payments by discretionary trust taxable as employment income), the relevant time is the 31 January next following the end of the tax year to which the claim relates;]

[<sup>F2439</sup>(ad) if the repayment is a payment falling within subsection (2D)(b), the relevant time is 31 January next following the end of the tax year in which the entitlement to relief arose;]

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- [<sup>F2440</sup>(a) if the repayment is—
  - (i) the repayment of an amount paid in accordance with the requirements of section 59A of the Management Act on account of income tax for a year of assessment, or
  - (ii) the repayment of income tax for such a year which is not income tax deducted at source [<sup>F2441</sup>(other than a repayment within paragraph (ac))],

the relevant time is the date of the payment that is being repaid;
- (b) if the repayment is of income tax deducted at source for a year of assessment, the relevant time is the 31st January next following that year; and]
- (c) if the repayment is of a penalty or surcharge, [<sup>F2442</sup>the relevant time is the date on which the penalty or surcharge was paid].]

- [<sup>F2443</sup>(4) For the purposes of subsection (3) above, where a repayment in respect of income tax for a year of assessment is made to any person, that repayment—
  - (a) shall be attributed first to so much of any payment made by him under section 59B of the Management Act as is a payment in respect of income tax for that year;
  - (b) in so far as it exceeds the amount (if any) to which it is attributable under paragraph (a) above, shall be attributed in two equal parts to each of the payments made by him under section 59A of the Management Act on account of income tax for that year;
  - (c) in so far as it exceeds the amounts (if any) to which it is attributable under paragraphs (a) and (b) above, shall be attributed to income tax deducted at source for that year; and
  - (d) in so far as it is attributable to a payment made in instalments shall be attributed to a later instalment before being attributed to an earlier one.

- (4A) In this section any reference to income tax deducted at source for a year of assessment is a reference to—
  - (a) income tax deducted or treated as deducted from any income, or treated as paid on any income, in respect of that year, and
  - (b) amounts which, in respect of that year, are tax credits to which [<sup>F2444</sup>section 397(1) [<sup>F2445</sup>or [<sup>F2446</sup>397A(1)]] of ITTOIA 2005] applies,

but does not include a reference to amounts which, in that year, are deducted at source under [<sup>F2447</sup>PAYE regulations] in respect of previous years.]

(5) <sup>F2448</sup> .....

- (6) [<sup>F2449</sup><sup>F2450</sup> . . . ] The Treasury may by order from time to time increase or decrease the rate of interest by reference to which—
  - (a) repayment supplements are calculated under subsection (1) above; and
  - (b) repayment supplements are calculated under section 47 of the Finance (No. 2) Act 1975.

(7) A repayment supplement shall not be payable under this section in respect of a repayment or payment made in consequence of an order or judgment of a court having power to allow interest on the repayment or payment, or in respect of a repayment of a post-war credit within the meaning of the Income Tax (Repayment of Post-War Credits) Act 1959.

(8) <sup>F2451</sup> .....



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- (9) <sup>M100</sup>Subsections (1) [<sup>F2452</sup>to (7)] above shall apply in relation to <sup>F2453</sup> . . . [<sup>F2454</sup>the trustees of a settlement]<sup>F2455</sup>, scheme administrators of registered pension schemes sub-scheme administrators of sub-schemes which form part of a split scheme pursuant to the Registered Pensions (Splitting of Schemes) Regulations 2006]<sup>F2456</sup> or personal representatives <sup>F2453</sup> . . . ] as they apply in relation to an individual.
- (10) <sup>F2457</sup> . . . . .

### Textual Amendments

- F2423**S. 824(1) substituted (with effect in accordance with s. 199(2)(3), Sch. 19 para. 41(4) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 19 para. 41(1)**; S.I. 1998/3173, **art. 2**
- F2424**S. 824(1)(c) substituted (1.4.2011) by The Finance Act 2009, Schedules 55 and 56 (Income Tax Self Assessment and Pension Schemes) (Appointed Days and Consequential and Savings Provisions) Order 2011 (S.I. 2011/702), arts. 1(1), 11 (with arts. 20, 22)
- F2425**S. 824(1A) inserted (retrospectively) by Finance Act 1988 (c. 39), s. 146, Sch. 13 paras. 1, **7(b)**
- F2426**S. 824(1A) repealed (from 18.8.1989) by Finance Act 1989 (c. 26), ss. 178(7), 187, **Sch. 17 Pt. 10**, Note; S.I. 1989/1298
- F2427**Words in s. 824(2) substituted (retrospectively) by Finance Act 1988 (c. 39) s. 146, Sch.13 para.7(c)
- F2428**Words in s. 824(2) repealed (on and after 18.8.1989) by Finance Act 1989 (c. 26), ss. 178(7), 187, **Sch.17 Part 10**; S.I. 1989/1298
- F2429**Words in s. 824(2) substituted (retrospectively) by Finance Act 1988 (c. 39), s. 146, **Sch.13 para.7(c)**
- F2430**S. 824(2C) inserted (with effect in accordance with s. 90(4) of the amending Act) by Finance Act 2001 (c. 9), **s. 90(2)**
- F2431**S. 824(2A) inserted (retrospectively) by Finance Act 1988 (c. 39), s. 146, Sch. 13 paras. 1, **7(d)**
- F2432**S. 824(2B) inserted (retrospectively, with effect in accordance with s. 41(4)-(6) of the amending Act) by Finance Act 1999 (c. 16), **s. 41(2)**
- F2433**S. 824(2D) inserted (1.4.2011 with effect in accordance with art. 9(1) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2011 (S.I. 2011/1037), **arts. 1, 7(2)**
- F2434**S. 824(2D)(a) omitted (with effect in accordance with Sch. 39 para. 31(3) of the repealing Act) by virtue of Finance Act 2012 (c. 14), **Sch. 39 para. 31(2)(a)**
- F2435**S. 824(3) substituted (with effect in accordance with s. 199(2)(3), Sch. 19 para. 41(4) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 19 para. 41(2)**; S.I. 1998/3173, **art. 2**
- F2436**S. 824(3)(aa) inserted (retrospectively, with effect in accordance with s. 41(4)-(6) of the amending Act) by Finance Act 1999 (c. 16), **s. 41(3)**
- F2437**S. 824(3)(ab) inserted (with effect in accordance with s. 90(4) of the amending Act) by Finance Act 2001 (c. 9), **s. 90(3)**
- F2438**S. 824(3)(ac) inserted (1.4.2010 with effect in accordance with art. 4(3) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2010 (S.I. 2010/157), **arts. 1, 4(1)(a)**
- F2439**S. 824(3)(ad) inserted (1.4.2011 with effect in accordance with art. 9(1) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2011 (S.I. 2011/1037), **arts. 1, 7(3)**
- F2440**S. 824(3)(a)(b) substituted (with effect in accordance with s. 92(6) of the amending Act) by Finance Act 1997 (c. 16), **s. 92(2)**
- F2441**Words in s. 824(3)(a)(ii) inserted (1.4.2010 with effect in accordance with art. 4(3) of the amending S.I.) by The Enactment of Extra-Statutory Concessions Order 2010 (S.I. 2010/157), **arts. 1, 4(1)(b)**
- F2442**Words in s. 824(3)(c) substituted (with effect in accordance with s. 92(6) of the amending Act) by Finance Act 1997 (c. 16), **s. 92(3)**
- F2443**S. 824(4)(4A) substituted for s. 824(4) (with effect in accordance with s. 92(6) of the amending Act) by Finance Act 1997 (c. 16), **s. 92(4)**
- F2444**Words in s. 824(4A)(b) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 331(2)** (with Sch. 2)

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- F2445** Words in s. 824(4A)(b) inserted (with effect in accordance with s. 34(2) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 12 para. 15**
- F2446** Words in s. 824(4A)(b) substituted (with effect in accordance with Sch. 19 para. 14 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 19 para. 10(a)**
- F2447** Words in s. 824(4A) substituted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), **Sch. 6 para. 104** (with Sch. 7)
- F2448** S. 824(5) repealed (with effect in accordance with s. 199(2)(3), Sch. 19 para. 41(4) of the repealing Act) by Finance Act 1994 (c. 9), Sch. 19 para. 41(3)(a), **Sch. 26 Pt. 5(23)**, Note 3; S.I. 1998/3173, **art. 2**
- F2449** Words in s. 824(6) inserted (retrospectively) by Finance Act 1988 (c. 39), s. 146, Sch. 13 paras. 1, **7(f)**
- F2450** Words in s. 824(6) repealed (from 18.8.1989) by Finance Act 1989 (c. 26), ss. 178(7), 187, **Sch. 17 Pt. 10**, Note; S.I. 1989/1298
- F2451** S. 824(8) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 331(3), **Sch. 3** (with Sch. 2)
- F2452** Words in s. 824(9) substituted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), **Sch. 1 para. 331(4)** (with Sch. 2)
- F2453** Words in s. 824(9) repealed (with effect in accordance with s. 199(2)(3), Sch. 19 para. 41(4) of the repealing Act) by Finance Act 1994 (c. 9), Sch. 19 para. 41(3)(b), **Sch. 26 Pt. 5(23)**, Note 3; S.I. 1998/3173, **art. 2**
- F2454** Words in s. 824(9) substituted (1989-90 and subsequent years) by Finance Act 1989 (c. 26), **s. 110(5)(6)-(9)**
- F2455** Words in s. 824(9) inserted (6.4.2006) by Finance Act 2004 (c. 12), s. 284(1), **Sch. 35 para. 33** (as amended by The Registered Pension Schemes (Splitting of Schemes) Regulations 2006 (S.I. 2006/569), **regs. 1(1), 5(6)(7)**) (with Sch. 36)
- F2456** Words in s. 824(9) substituted (1989-90 and subsequent years) by Finance Act 1989 (c. 26), **s. 111(4)(5)-(8)**
- F2457** S. 824(10) repealed (with effect in accordance with s. 199(2)(3), Sch. 19 para. 41(4) of the repealing Act) by Finance Act 1994 (c. 9), Sch. 19 para. 41(3)(c), **Sch. 26 Pt. 5(23)**, Note 3; S.I. 1998/3173, **art. 2**

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

- C59** S. 824 excluded (27.7.1993 with effect for the year 1992-93 and subsequent years of assessment) by Finance Act 1993 (c. 34), ss. 173, 184(3), **Sch. 19 Pt. III para. 13(4)**
- C60** S. 824 excluded (2.1.1996) by The Lloyd's Underwriters (Gilt-edged Securities) (Periodic Accounting for Tax on Interest) Regulations 1995 (S.I. 1995/3225), **reg. 12(2)** (with reg. 13)
- C61** S. 824 excluded (27.12.2005 with effect in accordance with reg. 1(2) of the affecting S.I.) by The Lloyd's Underwriters (Tax) Regulations 2005 (S.I. 2005/3338), **regs. 1(1), 14(4)**
- C62** S. 824 restricted (1.4.2011) by The Finance Act 2009, Sections 101 to 103 (Income Tax Self Assessment) (Appointed Days and Transitional and Consequential Provisions) Order 2011 (S.I. 2011/701), arts. 1(1), 4(2)(a), 5
- C63** S. 824(3) modified (22.7.2004) by Finance Act 2004 (c. 12), **s. 108**
- C64** S. 824(3) modified (1.4.2010 with effect in accordance with s. 381(1) of the modifying Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), **s. 137** (with Sch. 9)

#### Marginal Citations

- M99** Source—1975 (No.2) s.47(3)(a)
- M100** Source—1975 (No.2) s.47(11), (12).

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## 825 Repayment supplements: companies.

- (1)<sup>M101</sup>This section applies to the following payments made to a company in connection with any accounting period for which the company was resident in the United Kingdom (“the relevant accounting period”), that is to say—
- (a) a repayment of corporation tax paid by the company for that accounting period (including advance corporation tax paid in respect of distributions made by the company in that accounting period and any sum paid in respect of that period on an assessment under section 430(7)(a))<sup>F2458</sup>, or
  - (b) a repayment of income tax in respect of a payment received by the company in that accounting period on which the company bore income tax by deduction; or
  - (c) a payment of the whole or part of the tax credit comprised in any franked investment income received by the company in that accounting period.
- (2) Subject to the following provisions of this section, where a payment<sup>F2459</sup> . . . to which this section applies is made by the Board or an inspector after the end of the 12 months beginning with the material date, the payment shall be increased under this section by an amount (a “repayment supplement”) equal to interest on the amount paid at the [<sup>F2460</sup>rate applicable under section 178 of the Finance Act 1989] for each complete tax month contained in the period (if any) beginning with the relevant date and ending at the end of the tax month in which the order for the payment is issued.
- [<sup>F2461</sup>(2A) *In relation to any complete tax month beginning before 6th April 1974 which is contained in the last-mentioned period, subsection (2) above shall have effect as if the rate of interest specified in it were 6 per cent. per annum (instead of the rate so specified or any other rate in force by virtue of subsection (5) below or section 48(6) of the Finance (No.2) Act 1975).*<sup>F2462</sup>]
- (3)<sup>M102</sup>For the purposes of subsection (2) above—
- (a) if the payment is a repayment of corporation tax that was paid on or after the first anniversary of the material date, the relevant date is the anniversary of the material date that occurs next after the date on which that tax was paid;
  - (b) in any other case, the relevant date is the first anniversary of the material date;
- and where a payment to which this section applies is a repayment of corporation tax paid by a company on different dates, the payment shall as far as possible be treated for the purposes of this subsection as a repayment of tax paid on a later rather than an earlier date among those dates.
- (4) For the purposes of this section—
- (a) a repayment of corporation tax made in consequence of a claim by a company under section 239(3) to have the whole or any part of an amount of surplus advance corporation tax arising in the case of any accounting period treated as if it were advance corporation tax paid in respect of distributions made by the company in any earlier accounting period shall be treated as a repayment of corporation tax paid for the accounting period in the case of which that amount of surplus advance corporation tax arose; and
  - (b) a repayment of income tax or corporation tax made on a claim under subsection (4) of section 419 shall be treated as if it were a repayment of corporation tax paid for the accounting period in which the repayment of, or of the part in question of, the loan or advance mentioned in that subsection was made. [<sup>F2463</sup>and

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- (c) a repayment of corporation tax or income tax falling to be made as a result of a claim under section 393A(1) to have the whole or any part of a loss incurred in an accounting period set off against profits of an earlier accounting period (“the earlier period”)—
- (i) shall, in a case where the earlier period falls wholly within the period of twelve months immediately preceding the accounting period in which the loss was incurred, be treated as a repayment of tax paid for the earlier period; and
- (ii) in any other case, shall be treated as a repayment of tax paid for the accounting period in which the loss is incurred; and
- <sup>F2464</sup>(d) .....]
- (5) [<sup>F2465</sup>Without prejudice to subsection (2A) above] the Treasury may by order from time to time increase or decrease the rate of interest by reference to which repayment supplements are calculated under subsection (2) above.
- (6) A repayment supplement shall not be payable under this section in respect of a payment made in consequence of an order or judgment of a court having power to allow interest on the payment.
- (7) A repayment supplement paid under this section shall be disregarded for all purposes of income tax and corporation tax.
- (8) In this section—
- “tax month” means the period beginning with the 6th day of any calendar month and ending with the 5th day of the following calendar month;
- “the material date” in relation to a payment to which this section applies, means the last date on which corporation tax on any of the profits of the company in question arising in the relevant accounting period could have been paid—
- (a) in a case where section 10(1) applies, within the nine months there mentioned;
- (b) in a case where section 478 applies, within the time limit imposed by subsection (2)(a) of that section, but subject to subsection (6) of that section.
- (9) This section has effect subject to section 826(8).

#### Textual Amendments

- F2458** Words in s. 825(1)(a) repealed (for accounting periods beginning after 31.3.1989) by [Finance Act 1989 \(c. 26\)](#), s. 187, [Sch. 17 Pt. V](#), Note 6
- F2459** Words in s. 825(2) repealed (with effect in relation to payments made on and after 6.4.1993) by [Finance Act 1989 \(c. 26\)](#), ss. 158(2), 187, [Sch. 17 Pt. 8](#), Note 5; S.I. 1993/753
- F2460** Words in s. 825(2) substituted (from 18.8.1989) by [Finance Act 1989 \(c. 26\)](#), [s. 179\(1\)\(a\)\(vii\)](#); S.I. 1989/1298
- F2461** S. 825(2A) inserted (retrospectively) by [Finance Act 1988 \(c. 39\)](#), s. 146, [Sch. 13 paras. 1, 8\(a\)](#)
- F2462** Repealed by 1989 s.178(7) and 187 and Sch.17 Part X from 18 August 1989 (see S.I. 1989 No.1298).
- F2463** Words in s. 825(4) added by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), s. 73(3)(4)(5), [Sch. 15 para.22](#)
- F2464** S. 825(4)(d) repealed (with effect in accordance with s. 20 of the repealing Act) by [Finance \(No. 2\) Act 1997 \(c. 58\)](#), [Sch. 8 Pt. 2\(4\)](#), Note
- F2465** Words in s. 825(2A) inserted (retrospectively) by [Finance Act 1988 \(c. 39\)](#), s. 146, [Sch. 13 paras. 1, 8\(b\)](#)

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

- C65 S. 825(4)(a) modified (27.7.1993) by Finance Act 1993 (c. 34), s. 120, Sch. 14 para. 10(6)  
S. 825(4)(a) modified (1.5.1995) by Finance Act 1995 (c. 4), s. 120, Sch. 24 para. 12(5)
- C66 See Table I in Vol.1 and see 1989 s.178 for further regulation making powers and Part III Vol.5 for regulations.
- C67 And see Sch.30 para.1(9).

**Marginal Citations**

- M101 Source—1975 (No.2) s.48(1), (2)
- M102 Source—1975 (No.2) s.48(4)-(9)

**826 Interest on tax overpaid.**

<sup>M103</sup>(1) In any case where—

- (a) a repayment falls to be made of corporation tax paid by a company for an accounting period which ends after the appointed day; or
- <sup>F2466</sup>(aa) a repayment falls to be made under sections 246N and 246Q of advance corporation tax paid by a company in respect of distributions made by it in such an accounting period; or
- (b) a repayment of income tax falls to be made in respect of a payment received by a company in such an accounting period; or
- (c) a payment falls to be made to a company of the whole or part of the tax credit comprised in any franked investment income received by the company in such an accounting period <sup>F2467</sup>; or
- (d) a payment of R&D tax credit falls to be made to a company under <sup>F2468</sup>Chapter 2 or 7 of Part 13 of CTA 2009] in respect of an accounting period <sup>F2469</sup>; or <sup>F2471</sup>  
<sup>F2470</sup>(da) [ ..... ]
- (e) a payment of land remediation tax credit or life assurance company tax credit falls to be made to a company under <sup>F2472</sup>Part 14 of CTA 2009] in respect of an accounting period <sup>F2473</sup>; or
- (f) a payment of film tax credit falls to be made to a company <sup>F2474</sup>; or <sup>F2475</sup>  
<sup>F2475</sup>(fa) [ a payment of television tax credit falls to be made to a company; or
- (fb) a payment of video game tax credit falls to be made to a company; or
- (g) a payment of first-year tax credit falls to be made to a company under Schedule A1 to the Capital Allowances Act,]

then, from the material date until <sup>F2476</sup>the order for repayment or payment is issued], the repayment or payment shall carry interest at the rate which, under section 89 of the Management Act, is for the time being the prescribed rate for the purposes of this section.

(2) <sup>F2477</sup>Subject to section 826A(2),] in relation to corporation tax paid by a company for an accounting period, the material date for the purposes of this section is the date on which corporation tax was paid or, if it is later, the date on which corporation tax for that accounting period became (or, as the case may be, would have become) due and payable in accordance with <sup>F2478</sup>section 59D of the Management Act (payment of corporation tax)].

<sup>F2479</sup>(2A) <sup>F2480</sup> [ ..... ]

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- (3) In relation to a repayment of income tax falling within subsection (1)(b) above or a payment of the whole or part of a tax credit falling within subsection (1)(c) above, [<sup>F2481</sup>the material date is the day after the end of the accounting period] in which the payment referred to in subsection (1)(b) above or, as the case may be, the franked investment income referred to in subsection (1)(c) above was received by the company.
- [<sup>F2482</sup>(3A) In relation to a payment of R&D tax credit falling within subsection (1)(d) above the material date is whichever is the later of—
- (a) the filing date for the company's company tax return for the accounting period for which the R&D tax credit is claimed, and
  - (b) the date on which the company tax return or amended company tax return containing the claim for payment of the R&D tax credit is delivered to the Inland Revenue.
- For this purpose “the filing date”, in relation to a company tax return, has the same meaning as in Schedule 18 to the <sup>M1104</sup>Finance Act 1998.]
- [<sup>F2483</sup>(3AA) <sup>F2484</sup>.....]
- [<sup>F2485</sup>(3B) In relation to a payment of land remediation tax credit or life assurance company tax credit falling within subsection (1)(e) above the material date is whichever is the later of—
- (a) the filing date for the company's company tax return for the accounting period for which the land remediation tax credit or the life assurance company tax credit is claimed, and
  - (b) the date on which the company tax return or amended company tax return containing the claim for payment of the land remediation tax credit or the life assurance company tax credit is delivered to the Inland Revenue.
- For this purpose “the filing date”, in relation to a company tax return, has the same meaning as in Schedule 18 to the Finance Act 1998.]
- [<sup>F2486</sup>(3C) In relation to a payment of film tax credit [<sup>F2487</sup>, television tax credit or video game tax credit] the material date is whichever is the later of—
- (a) the filing date for the company's company tax return for the accounting period for which the tax credit is payable, and
  - (b) the date on which the company tax return or amended company tax return containing the claim for payment is delivered to an officer of Revenue and Customs.
- For this purpose “the filing date”, in relation to a company tax return, has the same meaning as in Schedule 18 to the Finance Act 1998.]
- [<sup>F2488</sup>(3D) In relation to a payment of first-year tax credit falling within subsection (1)(g) above the material date is whichever is the later of—
- (a) the filing date for the company's company tax return for the accounting period for which the tax credit is claimed, and
  - (b) the date on which the company tax return or amended company tax return containing the claim for payment of the tax credit is delivered to the Commissioners for Her Majesty's Revenue and Customs.
- For this purpose “the filing date”, in relation to a company tax return, has the same meaning as in Schedule 18 to the Finance Act 1998.]

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(4) For the purposes of this section a repayment of tax made on a claim under [F<sup>2489</sup>section 458 of CTA 2010] shall be treated as if it were a repayment of corporation tax for the accounting period in which [F<sup>2490</sup>the event giving rise to entitlement to relief under [F<sup>2491</sup>that section] occurred] but, in relation to such a repayment of tax, the material date for the purposes of this section is—

[F<sup>2492</sup>(a) the date when the entitlement to relief in respect of the repayment accrued, that is to say—

(i) where the repayment [F<sup>2493</sup>, or the release or writing off,] of the loan or advance (or part thereof) occurred on or after the day mentioned in [F<sup>2494</sup>section 458(4) of CTA 2010], the date nine months after the end of that accounting period; and

(ii) in any other case, the date nine months after the end of the accounting period in which the loan or advance was made;

or]

(b) if it is later, the date on which the tax which is to be repaid was in fact paid.

(5) F<sup>2495</sup> .....

[F<sup>2496</sup>(5A) F<sup>2495</sup> .....

(6) Where a repayment of corporation tax is a repayment of tax paid by a company on different dates, the repayment shall so far as possible be treated for the purposes of this section as a repayment of tax paid on a later rather than an earlier date among those dates.

(7) F<sup>2497</sup> .....

[F<sup>2498</sup>F<sup>2499</sup>(7A) In any case where—

(a) a company carrying on a trade incurs a loss in the trade in an accounting period (“the later period”),

(b) as a result of a claim under [F<sup>2500</sup>section 37 of CTA 2010], the whole or any part of that loss is [F<sup>2501</sup>relieved][F<sup>2502</sup>(whether under [F<sup>2503</sup>section 37 or 42 of that Act])] for the purposes of corporation tax against profits (of whatever description) of an earlier accounting period (“the earlier period”) which does not fall wholly within the period of twelve months immediately preceding the later period, and

(c) a repayment falls to be made of corporation tax paid for the earlier period or of income tax in respect of a payment received by the company in that accounting period,

then, in determining the amount of interest (if any) payable under this section on the repayment referred to in paragraph (c) above, no account shall be taken of [F<sup>2504</sup>so much of the amount of that repayment as falls to be made]] as a result of the claim under [F<sup>2505</sup>section 37 of CTA 2010], except so far as concerns interest for any time after the date on which any corporation tax for the later period became (or, as the case may be, would have become) due and payable, [F<sup>2506</sup>as mentioned in subsection (7D) below].

[F<sup>2498</sup>(7AA) F<sup>2507</sup> .....

F<sup>2508</sup>(7B) .....

[F<sup>2509</sup>(7BB) Subject to subsection (7BC) below, in any case where—

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- (a) within the meaning of section 806D, any relievable underlying tax or relievable withholding tax arises in an accounting period of a company (“the later period”),
  - (b) pursuant to a claim under section 806G, the whole or any part of that tax is treated as mentioned in section 806D(4)(c) or (5)(c) in relation to the single related dividend or the single unrelated dividend arising in an earlier accounting period (“the earlier period”), and
  - (c) a repayment falls to be made of corporation tax paid for the earlier period or of income tax in respect of a payment received by the company in that period,
- then, in determining the amount of interest (if any) payable under this section on the repayment referred to in paragraph (c) above, no account shall be taken of so much of the amount of the repayment as falls to be made as a result of the claim under section 806G, except so far as concerns interest for any time after the date on which any corporation tax for the later period became due and payable (as mentioned in subsection (7D) below).

(7BC) <sup>F2510</sup> .....

<sup>F2511</sup>(7C) In a case where—

- (a) there is for an accounting period of a company (“the later period”) <sup>F2512</sup>a non-trading deficit on the company’s loan relationships,]
- (b) as a result of a claim under <sup>F2513</sup><sup>F2514</sup>section 389(1) or 459(1)(b) of CTA 2009] the whole or part of the deficit for the later period is set off against profits] of an earlier accounting period (“the earlier period”), and
- (c) a repayment falls to be made of corporation tax for the earlier period <sup>F2515</sup>or of income tax in respect of a payment received by the company in that accounting period],

then, in determining the amount of interest (if any) payable under this section on the <sup>F2516</sup>repayment referred to in paragraph (c) above, no account shall be taken of so much of the amount of the repayment as falls to be made as a result of] the claim under <sup>F2517</sup>section 389(1) or 459(1)(b) of CTA 2009] except so far as concerns interest for any time after the date on which any corporation tax for the later period became (or, as the case may be, would have become) due and payable, <sup>F2506</sup>as mentioned in subsection (7D) below].]

<sup>F2520</sup>(7D) In subsections (7), (7A), (7B) <sup>F2521</sup>, (7BB)] and (7C) above, any reference to the date on which corporation tax for an accounting period became, or would have become, due and payable shall be construed on the basis that corporation tax for an accounting period becomes due and payable on the day following the expiry of nine months from the end of the accounting period.]

<sup>F2522</sup>(7E) The power conferred by section 59E of the Management Act (alteration of date on which corporation tax becomes due and payable) does not include power to make provision in relation to subsection (7), (7A), (7B), <sup>F2523</sup>(7BB),] (7C) or (7D) above the effect of which would be to change the meaning of references in subsection (7), (7A), (7B) <sup>F2523</sup>, (7BB)] or (7C) above to the date on which corporation tax for an accounting period became, or would have become, due and payable (as mentioned in subsection (7D) above).]

- (8) In consequence of the preceding provisions of this section, no repayment supplement (within the meaning of section 825) shall be paid in respect of any repayment of tax



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or payment of tax credit where the relevant accounting period (within the meaning of that section) ends after the appointed day.

[<sup>F2524</sup>(8A) Where—

(a) interest has been paid to a company under subsection (1)(a) [<sup>F2525</sup>[<sup>F2526</sup>, (d)] [<sup>F2527</sup>[<sup>F2528</sup>, (e) or (f)] above,

[<sup>F2529</sup>(b) there is—

- (i) a change in the company's assessed liability to corporation tax, or  
(ii) a change in the amount of the R&D tax credit [<sup>F2530</sup>[<sup>F2531</sup> . . . ] [<sup>F2532</sup>, land remediation tax credit or life assurance company tax credit] [<sup>F2533</sup> or film tax credit] [<sup>F2534</sup> or television tax credit or video game tax credit] [<sup>F2535</sup> or first-year tax credit under Schedule A1 to the Capital Allowances Act] payable to the company (which does not result in a change falling within sub-paragraph (i)),

other than a change which in whole or in part corrects an error made by the Board or an officer of the Board, and]

(c) as a result only of that change (and, in particular, not as a result of any error in the calculation of the interest), it appears to an officer of the Board that the interest ought not to have been paid, either at all or to any extent,

the interest that ought not to have been paid may be recovered from the company as if it were interest charged under Part IX of the Management Act (interest on overdue tax).

(8B) For the purposes of subsection (8A) above, the cases where there is a change in a company's assessed liability to corporation tax are those cases where—

- (a) an assessment, or an amendment of an assessment, of the amount of corporation tax payable by the company for the accounting period in question is made, or  
(b) a determination of that amount is made under paragraph 36 or 37 of Schedule 18 to the Finance Act 1998 (which until superseded by a self-assessment under that Schedule has effect as if it were one),

whether or not any previous assessment or determination has been made.

[ For the purposes of subsection (8A)(b) above, the cases where there is a change  
<sup>F2536</sup>(8BA) in the amount of the R&D tax credit [<sup>F2537</sup>[<sup>F2538</sup> . . . ] [<sup>F2539</sup>, the land remediation tax credit or the life assurance company tax credit] [<sup>F2540</sup> or film tax credit] [<sup>F2541</sup> or television tax credit or video game tax credit] [<sup>F2542</sup> or first-year tax credit under Schedule A1 to the Capital Allowances Act] payable to the company are those cases where an assessment, or an amendment to an assessment, is made to recover an amount of R&D tax credit [<sup>F2537</sup>[<sup>F2538</sup> . . . ] [<sup>F2543</sup>, land remediation tax credit or life assurance company tax credit] [<sup>F2540</sup> or film tax credit] [<sup>F2541</sup> or television tax credit or video game tax credit] [<sup>F2542</sup> or first-year tax credit under Schedule A1 to the Capital Allowances Act] paid to the company for the accounting period in question.]

(8C) In subsection (8A)(b) above “error” includes—

- (a) any computational error; and  
(b) the allowance of a claim or election which ought not to have been allowed.]

(9) In this section “the appointed day” means such day or days, not being earlier than 31st March 1992, as the Treasury may by order appoint for the purposes of this section.

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### Subordinate Legislation Made

**P2** S. 826(1)(8)(9) power exercised: 30.9.1993 appointed by S.I. 1992/3066, **art. 2(2)(b)**

### Textual Amendments

- F2466**S. 826(1)(aa) inserted (3.5.1994) by Finance Act 1994 (c. 9), **Sch. 16 para. 20(2)**
- F2467**S. 826(1)(d) and preceding word inserted (with effect in accordance with s. 69(1) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 21 para. 1(2)**
- F2468**Words in s. 826(1)(d) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(2)(a)** (with Sch. 2 Pts. 1, 2, para. 56)
- F2469**S. 826(1)(e) and preceding word inserted (with effect in accordance with s. 70(1) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 23 para. 3(2)**
- F2470**S. 826(1)(da) inserted (with effect in accordance with Sch. 14 para. 5 of the amending Act) by Finance Act 2002 (c. 23), **Sch. 14 para. 1(2)**
- F2471**S. 826(1)(da) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(2)(b)**, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2, para. 56)
- F2472**Words in s. 826(1)(e) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(2)(c)** (with Sch. 2 Pts. 1, 2, para. 56)
- F2473**S. 826(1)(f) and preceding word inserted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 26(2)**; S.I. 2006/3399, **art. 2**
- F2474**S. 826(1)(g) and preceding word inserted (with effect in accordance with Sch. 25 para. 9 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 25 para. 7(2)**
- F2475**S. 826(1)(fa)(fb) inserted (19.7.2013 for specified purposes and 1.4.2014 for remaining purposes, and with effect in accordance with **Sch. 18 para. 23** of the amending Act and S.I. 2014/1962, **art. 2(2)**) by Finance Act 2013 (c. 29), Sch. 18 paras. 1(2), **22**; S.I. 2013/1817, **art. 2(2)**; S.I. 2014/1962, **art. 2(3)**
- F2476**Words in s. 826(1) substituted (retrospectively) by Finance Act 1989 (c. 26), **s. 180(6)(7)**
- F2477**Words in s. 826(2) inserted (31.7.1998) by Finance Act 1998 (c. 36), **Sch. 4 para. 1(1)**
- F2478**Words in s. 826(2) substituted (with effect in accordance with s. 199(2) of the amending Act) by Finance Act 1994 (c. 9), **Sch. 19 para. 42**; S.I. 1998/3173, **art. 2**
- F2479**S. 826(2A) inserted (3.5.1994) by Finance Act 1994 (c. 9), **Sch. 16 para. 20(3)**
- F2480**S. 826(2A) repealed (with effect in accordance with Sch. 3 para. 38(5) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 38(2), **Sch. 27 Pt. 3(2)**, Note
- F2481**Words in s. 826(3) substituted (with effect in accordance with Sch. 4 para. 2(2) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 4 para. 2(1)**
- F2482**S. 826(3A) inserted (with effect in accordance with s. 69(1) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 21 para. 1(3)**
- F2483**S. 826(3AA) inserted (with effect in accordance with Sch. 14 para. 5 of the amending Act) by Finance Act 2002 (c. 23), **Sch. 14 para. 1(3)**
- F2484**S. 826(3AA) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 267(3), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F2485**S. 826(3B) inserted (with effect in accordance with s. 70(1) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 23 para. 3(3)**
- F2486**S. 826(3C) inserted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 26(3)**; S.I. 2006/3399, **art. 2**
- F2487**Words in s. 826(3C) inserted (19.7.2013 for specified purposes and 1.4.2014 for remaining purposes, and with effect in accordance with **Sch. 18 para. 23** of the amending Act and S.I. 2014/1962, **art. 2(2)**) by Finance Act 2013 (c. 29), Sch. 18 paras. 1(3), **22**; S.I. 2013/1817, **art. 2(2)**; S.I. 2014/1962, **art. 2(3)**
- F2488**S. 826(3D) inserted (with effect in accordance with Sch. 25 para. 9 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 25 para. 7(3)**
- F2489**Words in s. 826(4) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(2)(a)** (with Sch. 2)

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- F2490** Words in s. 826(4) substituted (with effect in accordance with s. 90(2) of the amending Act) by Finance Act 1999 (c. 16), **s. 90(1)(a)**
- F2491** Words in s. 826(4) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(2)(b)** (with Sch. 2)
- F2492** S. 826(4)(a) substituted (with effect in accordance with s. 173(6) of the amending Act) by Finance Act 1996 (c. 8), **s. 173(5)**
- F2493** Words in s. 826(4)(a)(i) inserted (with effect in accordance with s. 90(2) of the amending Act) by Finance Act 1999 (c. 16), **s. 90(1)(b)**
- F2494** Words in s. 826(4)(a)(i) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(2)(c)** (with Sch. 2)
- F2495** S. 826(5)(5A) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(4)**, **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F2496** S. 826(5A) inserted (with effect in accordance with s. 34(5) of the amending Act) by Finance Act 1998 (c. 36), **s. 34(4)**
- F2497** S. 826(7) repealed (with effect in accordance with Sch. 3 para. 38(6) of the repealing Act) by Finance Act 1998 (c. 36), **Sch. 3 para. 38(3)**, **Sch. 27 Pt. 3(2)**, Note
- F2498** S. 826(7AA) inserted (27.7.1993) by 1993 c. 34, s. 120, **Sch. 14 para. 10(3)(5)**
- F2499** S. 826(7A)(7B) inserted by Finance Act 1991 (c. 31, SIF 63:1), s. 73(3)(4)(5), **Sch. 15 para. 23**
- F2500** Words in s. 826(7A)(b) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(3)(a)(i)** (with Sch. 2)
- F2501** Words in s. 826(7A)(b) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(3)(a)(ii)** (with Sch. 2)
- F2502** Words in s. 826(7A)(b) inserted (with effect in accordance with s. 111(3) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 35 para. 7**
- F2503** Words in s. 826(7A)(b) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(3)(a)(iii)** (with Sch. 2)
- F2504** Words in s. 826(7A) substituted (27.7.1993) by 1993 c. 34, s. 120, **Sch. 14 para. 10(2)**
- F2505** Words in s. 826(7A) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 117(3)(b)** (with Sch. 2)
- F2506** Words in s. 826(7)(7A)(7B)(7C) substituted (with effect in accordance with Sch. 4 para. 5(5)(6) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 4 para. 5(2)**
- F2507** S. 826(7AA)(7CA) repealed (with effect in accordance with Sch. 3 para. 38(7) of the repealing Act) by Finance Act 1998 (c. 36), **Sch. 3 para. 38(4)**, **Sch. 27 Pt. 3(2)**, Note
- F2508** S. 826(7B) repealed (with effect in accordance with s. 20 of the repealing Act) by Finance (No. 2) Act 1997 (c. 58), **Sch. 8 Pt. 2(4)**, Note
- F2509** S. 826(7BB)(7BC) inserted (28.7.2000) by Finance Act 2000 (c. 17), **Sch. 30 para. 29(2)**
- F2510** S. 826(7BC) omitted (with effect in accordance with Sch. 14 para. 31 of the repealing Act) by virtue of Finance Act 2009 (c. 10), **Sch. 14 para. 10**
- F2511** S. 826(7C) inserted (27.7.1993) by 1993 c. 34, s. 170, **Sch. 18 para. 5**
- F2512** Words in s. 826(7C)(a) substituted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), **Sch. 14 para. 48(1)(a)** (with Sch. 15)
- F2513** Words in s. 826(7C)(b) substituted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), **Sch. 14 para. 48(1)(b)** (with Sch. 15)
- F2514** Words in s. 826(7C)(b) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(5)(a)** (with Sch. 2 Pts. 1, 2)
- F2515** Words in s. 826(7C)(c) inserted (1.5.1995) by Finance Act 1995 (c. 4), **Sch. 24 para. 11(a)**
- F2516** Words in s. 826(7C) substituted (1.5.1995) by Finance Act 1995 (c. 4), **Sch. 24 para. 11(b)**
- F2517** Words in s. 826(7C) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(5)(b)** (with Sch. 2 Pts. 1, 2)
- F2518** S. 826(7CA) inserted (with effect in accordance with Sch. 24 para. 12(4)(5) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 24 para. 12(2)**
- F2519** S. 826(7AA)(7CA) repealed (with effect in accordance with Sch. 3 para. 38(7) of the repealing Act) by Finance Act 1998 (c. 36), **Sch. 3 para. 38(4)**, **Sch. 27 Pt. 3(2)**, Note

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- F2520**S. 826(7D) inserted (with effect in accordance with Sch. 4 para. 5(5)(6) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 4 para. 5(3)**
- F2521**Words in s. 826(7D) inserted (28.7.2000) by Finance Act 2000 (c. 17), **Sch. 30 para. 29(3)**
- F2522**S. 826(7E) inserted (with effect in accordance with Sch. 4 para. 5(5)(6) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 4 para. 5(4)**
- F2523**Words in s. 826(7E) inserted (28.7.2000) by virtue of Finance Act 2000 (c. 17), **Sch. 30 para. 29(4)**
- F2524**S. 826(8A)-(8C) inserted (with effect in accordance with Sch. 4 para. 3(3) of the amending Act) by Finance Act 1998 (c. 36), **Sch. 4 para. 3(1)**
- F2525**Words in s. 826(8A)(a) inserted (with effect in accordance with s. 69(1) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 21 para. 1(4)(a)**
- F2526**Word in s. 826(8A)(a) substituted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 267(6)(a)** (with Sch. 2 Pts. 1, 2)
- F2527**Words in s. 826(8A)(a) inserted (with effect in accordance with s. 70(1) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 23 para. 3(4)(a)**
- F2528**Words in s. 826(8A)(a) substituted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 26(4)(a)**; S.I. 2006/3399, **art. 2**
- F2529**S. 826(8A)(b) substituted (with effect in accordance with s. 69(1) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 21 para. 1(4)(b)**
- F2530**Words in s. 826(8A)(b)(ii) inserted (with effect in accordance with Sch. 14 para. 5 of the amending Act) by Finance Act 2002 (c. 23), **Sch. 14 para. 1(4)(b)**
- F2531**Words in s. 826(8A)(b)(ii) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 267(6)(b), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F2532**Words in s. 826(8A)(b)(ii) inserted (with effect in accordance with s. 70(1) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 23 para. 3(4)(b)**
- F2533**Words in s. 826(8A)(b)(ii) inserted (1.1.2007) by Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 26(4)(b)**; S.I. 2006/3399, **art. 2**
- F2534**Words in s. 826(8A)(b)(ii) inserted (19.7.2013 for specified purposes and 1.4.2014 for remaining purposes, and with effect in accordance with **Sch. 18 para. 23** of the amending Act and S.I. 2014/1962, art. 2(2)) by Finance Act 2013 (c. 29), Sch. 18 paras. 1(4), **22**; S.I. 2013/1817, **art. 2(2)**; S.I. 2014/1962, **art. 2(3)**
- F2535**Words in s. 826(8A)(b)(ii) inserted (with effect in accordance with Sch. 25 para. 9 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 25 para. 7(4)**
- F2536**S. 826(8BA) inserted (with effect in accordance with s. 69(1) of the amending Act) by Finance Act 2000 (c. 17), **Sch. 21 para. 1(5)**
- F2537**Words in s. 826(8BA) inserted (with effect in accordance with Sch. 14 para. 5 of the amending Act) by Finance Act 2002 (c. 23), **Sch. 14 para. 1(5)**
- F2538**Words in s. 826(8BA) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 267(7), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F2539**Words in s. 826(8BA) inserted (with effect in accordance with s. 70(1) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 23 para. 3(5)(a)**
- F2540**Words in s. 826(8BA) inserted (1.1.2007) by virtue of Finance Act 2006 (c. 25), s. 53(1), **Sch. 5 para. 26(5)**; S.I. 2006/3399, **art. 2**
- F2541**Words in s. 826(8BA) inserted (19.7.2013 for specified purposes and 1.4.2014 for remaining purposes, and with effect in accordance with **Sch. 18 para. 23** of the amending Act and S.I. 2014/1962, art. 2(2)) by Finance Act 2013 (c. 29), Sch. 18 paras. 1(5), **22**; S.I. 2013/1817, **art. 2(2)**; S.I. 2014/1962, **art. 2(3)**
- F2542**Words in s. 826(8BA) inserted (with effect in accordance with Sch. 25 para. 9 of the amending Act) by Finance Act 2008 (c. 9), **Sch. 25 para. 7(5)**
- F2543**Words in s. 826(8BA) inserted (with effect in accordance with s. 70(1) of the amending Act) by Finance Act 2001 (c. 9), **Sch. 23 para. 3(5)(b)**

*Status: Point in time view as at 19/07/2013.*

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

- C68** S. 826 excluded (2.1.1996) by [The Lloyd's Underwriters \(Gilt-edged Securities\) \(Periodic Accounting for Tax on Interest\) Regulations 1995 \(S.I. 1995/3225\)](#), **reg. 12(2)** (with **reg. 13**)
- C69** S. 826 applied (with modifications) (7.1.1999 in accordance with reg. 1(2) of the affecting S.I.) by [The Corporation Tax \(Instalment Payments\) Regulations 1998 \(S.I. 1998/3175\)](#), **reg. 8** (as amended by: [S.I. 2005/889](#), **regs. 1(1)(3)**, 7; [S.I. 2011/1785](#), **regs. 1**, 11; [S.I. 2017/1072](#), **regs. 1**, 10)
- C70** S. 826 excluded (27.12.2005 with effect in accordance with reg. 1(2) of the affecting S.I.) by [The Lloyd's Underwriters \(Tax\) Regulations 2005 \(S.I. 2005/3338\)](#), **regs. 1(1)**, 14(4)(6)(b)

**Marginal Citations**

- M103** Source—1987 (No.2) s.87
- M104** 1998 c. 36.

[<sup>F2544</sup> **826** **Interest on payments in respect of corporation tax and meaning of “the material date”.**

- (1) The Treasury may by regulations make provision applying section 826, with such modifications as may be prescribed, for the purpose of conferring on companies of such descriptions as may be prescribed a right to interest—
  - (a) on such payments made by them in respect of corporation tax as may be prescribed,
  - (b) at the rate applicable under section 178 of the <sup>M105</sup>Finance Act 1989, and
  - (c) for such period as may be prescribed,and for treating any such interest for the purposes, or prescribed purposes, of the Tax Acts as interest under section 826(1)(a) on a repayment of corporation tax.
- (2) The Treasury may by regulations make provision modifying section 826(2) in relation to companies of such description as may be prescribed.
- (3) Subsections (1) and (2) above do not apply in relation to companies in relation to which section 826(2) is modified or otherwise affected by regulations under section 59E of the Management Act (alteration of date on which corporation tax becomes due and payable) in relation to the accounting period to which the corporation tax in question relates.
- (4) Where the Treasury make regulations under subsection (2) above in relation to companies of any description, they may also make regulations modifying section 59DA(2) of the Management Act in relation to those companies, or any description of such companies, by varying the date before which the claim there mentioned may not be made.
- (5) Regulations under this section—
  - (a) may make different provision in relation to different cases or circumstances or in relation to companies or accounting periods of different descriptions;
  - (b) may make such supplementary, incidental, consequential or transitional provision as appears to the Treasury to be necessary or expedient.
- (6) Regulations under this section may not make provision in relation to accounting periods ending before the day appointed under section 199 of the <sup>M106</sup>Finance Act 1994 for the purposes of Chapter III of Part IV of that Act (corporation tax self-assessment).
- (7) In this section “prescribed” means prescribed by regulations made under this section.]

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**Textual Amendments**

**F2544S.** 826A inserted (31.7.1998) by [Finance Act 1998 \(c. 36\)](#), [Sch. 4 para. 1\(2\)](#)

**Marginal Citations**

**M105** 1989 c. 26.  
**M106** 1994 c. 9.

**827 VAT penalties etc.**

**F2545** .....

**Textual Amendments**

**F2545S.** 827 repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 268](#), [Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))

**[<sup>F2546</sup>827A Territorial scope of charges under certain provisions to which section 836B applies**

**F2547** ..... ]

**Textual Amendments**

**F2546S.** 827A inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 333](#) (with [Sch. 2](#))

**F2547S.** 827A repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 207](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**828 Orders and regulations made by the Treasury or the Board.**

(1) <sup>M107</sup><sup>F2548</sup> . . . Any power of the Treasury or the Board to make any order or regulations under this Act <sup>F2549</sup> . . . shall be exercisable by statutory instrument.

(2) <sup>F2550</sup> .....

(3) <sup>M108</sup> Subject to [<sup>F2551</sup>subsection (4)] below and to any other provision to the contrary, any statutory instrument containing any order or regulations made by the Treasury or the Board <sup>F2552</sup> . . . shall be subject to annulment in pursuance of a resolution of the House of Commons.

(4) Subsection (3) above shall not apply in relation to an order or regulations made under section <sup>F2553</sup> . . . [<sup>F2554</sup><sup>F2555</sup> . . . ] <sup>F2556</sup> . . . <sup>F2557</sup> . . . <sup>F2558</sup> . . . <sup>F2559</sup> . . . [<sup>F2560</sup><sup>F2556</sup> . . . ] [<sup>F2561</sup>590C(6)]. . . [<sup>F2562</sup><sup>F2563</sup> . . . ] <sup>F2564</sup> . . . ] or paragraph 7 of Schedule 14 [<sup>F2565</sup><sup>F2566</sup> . . . ] or—

- (a) if any other Parliamentary procedure is expressly provided;
- (b) if the order in question is an order appointing a day for the purposes of any provision of the Tax Acts, being a day as from which the provision will have effect, with or without amendments, or will cease to have effect.

[<sup>F2567</sup>(5) <sup>F2568</sup> .....

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[<sup>F2569</sup>(6) <sup>F2568</sup>.....]

### Textual Amendments

- F2548** Words in s. 828(1) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 118(2)(a), **Sch. 3 Pt. 1** (with Sch. 2)
- F2549** Words in s. 828(1) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 118(2)(b), **Sch. 3 Pt. 1** (with Sch. 2)
- F2550** S. 828(2) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 118(3), **Sch. 3 Pt. 1** (with Sch. 2)
- F2551** Words in s. 828(3) substituted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **Sch. 1 para. 118(4)(a)** (with Sch. 2)
- F2552** Words in s. 828(3) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 118(4)(b), **Sch. 3 Pt. 1** (with Sch. 2)
- F2553** Words in s. 828(4) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 208(5)(a), **Sch. 3 Pt. 1** (with Sch. 2)
- F2554** Words in s. 828(4) inserted (10.7.2003) by Finance Act 2003 (c. 14), **s. 180(2)**
- F2555** Words in s. 828(4) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by Corporation Tax Act 2009 (c. 4), Sch. 1 para. 269(2), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F2556** Words in s. 828(4) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 208(5)(b), **Sch. 3 Pt. 1** (with Sch. 2)
- F2557** Words in s. 828(4) repealed (6.4.2005 with effect in accordance with s. 883(1) of the repealing Act) by Income Tax (Trading and Other Income) Act 2005 (c. 5), Sch. 1 para. 334(2), **Sch. 3** (with Sch. 2)
- F2558** Words in s. 828(4) repealed (3.5.1994) by Finance Act 1994 (c. 9), **Sch. 26 Pt. 5(19)**
- F2559** Words in s. 828(4) repealed (with effect in accordance with Sch. 20 Pt. 3(7) Note 4 of the repealing Act) by Finance Act 1999 (c. 16), **Sch. 20 Pt. 3(7)**
- F2560** Words in s. 828(4) inserted by Finance Act 1991 (c. 31, SIF 63:1), **s. 118(2)**
- F2561** Words in s. 828(4) inserted by Finance Act 1989 (c. 26), **Sch. 6 para. 16**
- F2562** Words in s. 828(4) substituted (29.4.1996) by Finance Act 1996 (c. 8), **Sch. 37 para. 1(2)**
- F2563** Words in s. 828(4) repealed (1.4.2010 with effect in accordance with s. 381(1) of the repealing Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), Sch. 8 para. 33, **Sch. 10 Pt. 1** (with Sch. 9)
- F2564** Words in s. 828(4) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 118(5), **Sch. 3 Pt. 1** (with Sch. 2)
- F2565** Words in s. 828(4) inserted by Capital Allowances Act 1990 (c. 1), **Sch. 1 para. 8(34)**
- F2566** Words in s. 828(4) repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 208(5)(c), **Sch. 3 Pt. 1** (with Sch. 2)
- F2567** S. 828(5) added (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), **Sch. 6 para. 105(4)** (with Sch. 7)
- F2568** S. 828(5)(6) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 118(6), **Sch. 3 Pt. 1** (with Sch. 2)
- F2569** S. 828(6) inserted (6.4.2006) by Finance Act 2004 (c. 12), s. 284(1), **Sch. 35 para. 34** (with Sch. 36)

### Modifications etc. (not altering text)

- C71** S. 828 excluded (18.3.2010) by Taxation (International and Other Provisions) Act 2010 (c. 8), **ss. 372(4), 381(2)(a)** (with Sch. 9)
- C72** S. 828(3) excluded by Finance Act 2000 (c. 17), **Sch. 22 para. 22C(3)** (as inserted (1.7.2005) by Finance Act 2005 (c. 7), Sch. 7 paras. 8, 18(1) (with **Sch. 7 paras. 19-21**))
- C73** S. 828(3) excluded (21.7.2009) by Finance Act 2009 (c. 10), **Sch. 22 para. 14(2)**
- C74** S. 828(4) modified (20.3.2007) by Income Tax Act 2007 (c. 3), **ss. 1030(4), 1034(4)(b)**

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### Marginal Citations

- M107** Source—1970 ss.65(5), 204, 231(3), 343 (1A); 1970(F) s.29(6), Sch.5 2(3), 10; 1972 ss.91(3), 108(4); 1973 Sch.16 17(2); 1975 (No.2) ss.47(10), 48(6), 69(9), 70(8), 70A(3); 1976 ss.64(4), 64A, (4) Sch.4 16(2); 1980 s.24(9); [Sch.10](#) 13(3); 1982 ss.28(5), 29(1), (3), Sch.7 14(2); 1984 ss.26(1), 88(8), 126(1), Sch.8 2(1)(f), 3A; 1983 Sch.5 5A(9), 6(8); 1986 s.28, 61, Sch.11 11, Sch.12 3, Sch.17 6(7).
- M108** Source—1970 ss.65(5), 204, 343(1B); 1970(F) s.29(8), Sch.5 2(3), 10; 1973 Sch.16 17(2); 1975 (No.2) ss.47(10), 48(6), 69(9), 70(8), 70A(3); 1976 ss.64(4), 64A(4); 1982 s.29(5); 1983 Sch.5 5A(9), 6(9); 1984 ss.26(6), 88(8), Sch.8 2(1), 3A; 1986 ss.26, 27(7), 55, Sch.11 11, Sch.12 3, Sch.17 6(7)

## 829 Application of Income Tax Acts to public departments and avoidance of exempting provisions.

F2570 .....

### Textual Amendments

- F2570**S. 829 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 209, Sch. 3 Pt. 1](#) (with [Sch. 2](#))

## 830 Territorial sea <sup>F2571</sup> . . . .

- (1) <sup>F2572</sup> .....
- (2) <sup>F2573</sup> .....
- (3) <sup>F2573</sup> .....
- (4) <sup>F2573</sup> .....
- (5) <sup>F2574</sup> .....

### Textual Amendments

- F2571** Words in s. 830 title omitted (1.4.2009 with effect in accordance with art. 1(2) of the repealing S.I.) by virtue of [The Corporation Tax Act 2009 \(Amendment\) Order 2009 \(S.I. 2009/2860\), arts. 1, 3\(4\)\(b\)](#)
- F2572**S. 830(1) repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 119, Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F2573**S. 830(2)-(4) repealed (1.4.2009 with effect in accordance with s. 1329(1) of the repealing Act) by [Corporation Tax Act 2009 \(c. 4\), Sch. 1 para. 270, Sch. 3 Pt. 1](#) (with [Sch. 2 Pts. 1, 2](#))
- F2574**S. 830(5) repealed (6.4.2003 with effect in accordance with s. 723(1) of the repealing Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\), Sch. 6 para. 106, Sch. 8 Pt. 1](#) (with [Sch. 7](#))

## *Interpretation*

## 831 Interpretation of this Act.

- (1) <sup>M109</sup>In this Act, except so far as the context otherwise requires—
- (a) “the Corporation Tax Acts” means the enactments relating to the taxation of the income and chargeable gains of companies and of company distributions (including provisions relating also to income tax); and



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- (b) “the Income Tax Acts” means the enactments relating to income tax, including any provisions of the Corporation Tax Acts which relate to income tax.
- (2) In this Act “the Tax Acts”, except so far as the context otherwise requires, means this Act and all other provisions of the Income Tax Acts and the Corporation Tax Acts.
- (3) In this Act—
- [<sup>F2575</sup>“CTA 2009” means the Corporation Tax Act 2009;]
  - [<sup>F2576</sup>“CTA 2010” means the Corporation Tax Act 2010;]
  - [<sup>F2577</sup>“ITEPA 2003” means the Income Tax (Earnings and Pensions) Act 2003;]
  - [<sup>F2578</sup>“ITTOIA 2005” means the Income Tax (Trading and Other Income) Act 2005;]
  - [<sup>F2579</sup>“ITA 2007” means the Income Tax Act 2007;]
  - “the Management Act” means the Taxes Management Act 1970;
  - [<sup>F2580</sup>“TIOPA 2010” means the Taxation (International and Other Provisions) Act 2010;]
  - “the 1968 Act” means the Capital Allowances Act 1968;
  - “the 1970 Act” means the Income and Corporation Taxes Act 1970; and
  - “the 1979 Act” means the Capital Gains Tax Act 1979.
  - [<sup>F2581</sup>“the 1990 Act” means the Capital Allowances Act 1990.]
  - [<sup>F2582</sup>“the 1992 Act” means the Taxation of Chargeable Gains Act 1992.]
- (4) Section 1 of the <sup>M110</sup>Family Law Reform Act 1987, the paragraph inserted in Schedule 1 to the <sup>M111</sup>Interpretation Act 1978 by paragraph 73 of Schedule 2 to that Act and section 1(3) of the <sup>M112</sup>Law Reform (Parent and Child) (Scotland) Act 1986 (legal equality of illegitimate children) shall be disregarded in construing references in this Act to a child or to children (however expressed).
- (5) <sup>M113</sup>This Act, so far as it relates to capital gains tax, shall be construed as one with the [<sup>F2583</sup>1992] Act.
- (6) Any reference in this Act to a section, Part or Schedule is a reference to that section, Part or Schedule of or to this Act, unless the context otherwise requires.

#### Textual Amendments

- F2575S.** 831(3): definition of “CTA 2009” inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [Sch. 1 para. 271](#) (with [Sch. 2 Pts. 1, 2](#))
- F2576S.** 831(3): definition of “CTA 2010” inserted (1.4.2010 with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 120](#) (with [Sch. 2](#))
- F2577S.** 831(3): definition of “ITEPA 2003” inserted (6.4.2003 with effect in accordance with s. 723(1) of the amending Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 6 para. 107](#) (with [Sch. 7](#))
- F2578S.** 831(3): definition of “ITTOIA 2005” inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 336](#) (with [Sch. 2](#))
- F2579S.** 831(3): definition of “ITA 2007” inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 211](#) (with [Sch. 2](#))
- F2580S.** 831(3): definition of “TIOPA 2010” inserted (1.4.2010 with effect in accordance with s. 381(1) of the amending Act) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), [Sch. 8 para. 316](#) (with [Sch. 9](#))

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- F2581**S. 831(3): definition of "the 1990 Act" inserted by [Capital Allowances Act 1990 \(c. 1\), Sch. 1 para. 8\(35\)](#); and that amendment continued by [Capital Allowances Act 2001 \(c. 2\), s. 579, Sch. 2 para. 59](#)
- F2582**S. 831(3): definition of "the 1992 Act" inserted (with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\), ss. 289, 290, Sch. 10 para. 14\(53\)\(a\)](#) (with ss. 60, 101(1), 171, 201(3))
- F2583**Words in s. 831(5) substituted (with effect as mentioned in s. 289(1)(2) of the amending Act) by [Taxation of Chargeable Gains Act 1992 \(c. 12\), ss. 289, 290, Sch. 10 para. 14\(53\)\(b\)](#) (with ss. 60, 101(1), 171, 201(3))

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

- C75** S. 831(4) applied (28.7.2000) by [Finance Act 2000 \(c. 17\), Sch. 22 para. 144\(2\)](#)

**Marginal Citations**

- M109** Source—1970 s.526(1), (2); 1987 Sch.15 12
- M110** 1987 c. 42.
- M111** 1978 c. 30.
- M112** 1986 c. 9.
- M113** Source—1970 s.540(2)

**832 Interpretation of the [<sup>F2584</sup>Corporation Tax Acts etc].**

**F2585** . . . . .

**Textual Amendments**

- F2584**Words in s. 832 sidenote substituted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 212\(6\)](#) (with Sch. 2)
- F2585**S. 832 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 121, Sch. 3 Pt. 1](#) (with Sch. 2)

**833 Interpretation of Income Tax Acts.**

**F2586** . . . . .

**Textual Amendments**

- F2586**S. 833 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 213, Sch. 3 Pt. 1](#) (with Sch. 2)

**834 Interpretation of the Corporation Tax Acts.**

**F2587** . . . . .

**Textual Amendments**

- F2587**S. 834 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 122, Sch. 3 Pt. 1](#) (with Sch. 2)

*Status: Point in time view as at 19/07/2013.*

*Changes to legislation: Income and Corporation Taxes Act 1988 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

[<sup>F2588</sup>**834 Miscellaneous charges (list for the purposes of certain provisions that formerly referred to Case VI of Schedule D)**

F2589 ..... ]

**Textual Amendments**

**F2588S. 834A** inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 274** (with Sch. 2 Pts. 1, 2)

**F2589S. 834A** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 123, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F2590</sup>**834B Meaning of “UK property business” and “overseas property business”**

F2591 ..... ]

**Textual Amendments**

**F2590S. 834B** inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 275** (with Sch. 2 Pts. 1, 2)

**F2591S. 834B** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 124, **Sch. 3 Pt. 1** (with Sch. 2)

[<sup>F2592</sup>**834C Total profits**

F2593 ..... ]

**Textual Amendments**

**F2592S. 834C** inserted (1.4.2009 with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), **Sch. 1 para. 276** (with Sch. 2 Pts. 1, 2)

**F2593S. 834C** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by Corporation Tax Act 2010 (c. 4), Sch. 1 para. 125, **Sch. 3 Pt. 1** (with Sch. 2)

**835 “Total income” in the Income Tax Acts.**

F2594 ..... ]

**Textual Amendments**

**F2594S. 835** repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by Income Tax Act 2007 (c. 3), Sch. 1 para. 215, **Sch. 3 Pt. 1** (with Sch. 2)

**836 Returns of total income.**

F2595 ..... ]

*Status: Point in time view as at 19/07/2013.*

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#### Textual Amendments

**F2595S.** 836 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 216](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F2596</sup> **836** Generally accepted accounting practice

**F2597** . . . . . ]

#### Textual Amendments

**F2596S.** 836A inserted (with effect in accordance with s. 103(6) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 103\(2\)](#)

**F2597S.** 836A repealed (with effect in accordance with s. 80(4) of the repealing Act) by [Finance Act 2005 \(c. 7\)](#), [Sch. 4 para. 25](#), [Sch. 11 Pt. 2\(7\)](#), Note 2

### [<sup>F2598</sup> **836B** Table of provisions to which this section applies

**F2599** . . . . . ]

#### Textual Amendments

**F2598S.** 836B inserted (6.4.2005 with effect in accordance with s. 883(1) of the amending Act) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [Sch. 1 para. 340](#) (with [Sch. 2](#))

**F2599S.** 836B repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 217](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### **837** “Annual value” of land.

**F2600** . . . . .

#### Textual Amendments

**F2600S.** 837 repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 218](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

### [<sup>F2601</sup> **837A** Meaning of “research and development”.

**F2602** . . . . . ]

#### Textual Amendments

**F2601S.** 837A inserted (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), [Sch. 19 para. 1](#)

**F2602S.** 837A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 126](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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[<sup>F2603</sup>**837B** Meaning of “oil and gas exploration and appraisal”.

F2604 ..... ]

**Textual Amendments**

**F2603S.** 837B inserted (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), [Sch. 19 para. 2](#)

**F2604S.** 837B repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 127](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

[<sup>F2605</sup>**837C** Meaning of “offshore installation”

F2606 ..... ]

**Textual Amendments**

**F2605S.** 837C inserted (with effect in accordance with [Sch. 27 para. 3](#) of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 27 para. 1](#)

**F2606S.** 837C repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 128](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**838 Subsidiaries.**

F2607 .....

**Textual Amendments**

**F2607S.** 838 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 129](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**839 Connected persons.**

F2608 .....

**Textual Amendments**

**F2608S.** 839 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 130](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**840 Meaning of “control” in certain contexts.**

F2609 .....

**Textual Amendments**

**F2609S.** 840 repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 131](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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**[<sup>F2610</sup>840Z Meaning of “tax advantage”**

F2611  
..... ]

**Textual Amendments**

**F2610S. 840ZA** inserted (6.4.2007 with effect in accordance with s. 1034(1) of the amending Act) by [Income Tax Act 2007 \(c. 3\)](#), [Sch. 1 para. 225](#) (with [Sch. 2](#))

**F2611S. 840ZA** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 132](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**[<sup>F2612</sup>840B Banks.**

F2613  
..... ]

**Textual Amendments**

**F2612S. 840A** inserted (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), [Sch. 37 para. 1\(1\)](#)

**F2613S. 840A** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 133](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**841 Meaning of “recognised stock exchange” etc**

F2614  
.....

**Textual Amendments**

**F2614S. 841** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 134](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

**[<sup>F2615</sup>841B Recognised clearing systems.**

F2616  
..... ]

**Textual Amendments**

**F2615S. 841A** inserted (with effect in accordance with [Sch. 7 para. 32](#) of the amending Act) by [Finance Act 1996 \(c. 8\)](#), [Sch. 7 para. 26](#) (with [Sch. 7 paras. 33-35](#))

**F2616S. 841A** repealed (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), [Sch. 40 Pt. 2\(17\)](#)

**842 Investment trusts.**

F2617  
.....

**Textual Amendments**

**F2617S. 842** repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\)](#), [Sch. 1 para. 135](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

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[<sup>F2618</sup>**842AA** **Venture capital trusts.**

F2619 ..... ]

**Textual Amendments**

**F2618**S. 842AA inserted (1.5.1995) by [Finance Act 1995 \(c. 4\), s. 70\(1\)](#)

**F2619**S. 842AA repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 229, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

[<sup>F2620</sup>**842A** **Local authorities.**

F2621 ..... ]

**Textual Amendments**

**F2620**S. 842A inserted (1.4.1990) by [Finance Act 1990 \(c. 29\), s.127\(1\)\(4\)](#)

**F2621**S. 842A repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 136, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

[<sup>F2622</sup>**842B** **Meaning of** <sup>F2623</sup>... **“property investment LLP”**

F2624 ..... ]

**Textual Amendments**

**F2622**S. 842B inserted (6.4.2001 with effect in accordance with s. 76(1) of the amending Act) by [Finance Act 2001 \(c. 9\), s. 76\(2\), Sch. 25 para. 1\(1\)](#)

**F2623**Words in s. 842B sidenote repealed (6.4.2007 with effect in accordance with s. 1034(1) of the repealing Act) by [Income Tax Act 2007 \(c. 3\), Sch. 1 para. 231\(4\), Sch. 3 Pt. 1 \(with Sch. 2\)](#)

**F2624**S. 842B repealed (1.4.2010 with effect in accordance with s. 1184(1) of the repealing Act) by [Corporation Tax Act 2010 \(c. 4\), Sch. 1 para. 137, Sch. 3 Pt. 1 \(with Sch. 2\)](#)

*Commencement, savings, repeals etc.*

**843 Commencement.**

- (1) Except as otherwise provided by the following provisions of this section, this Act shall come into force in relation to tax for the year 1988-89 and subsequent years of assessment, and for companies’ accounting periods ending after 5th April 1988.
- (2) Except as otherwise provided by the following provisions of this section, such of the provisions of this Act as relate to capital gains tax (including the provisions of Part XVIII as applied to capital gains tax by section [<sup>F2625</sup>277 of [<sup>F2626</sup>the 1992 Act]]) shall come into force in relation to that tax for the year 1988-89 and subsequent years of assessment.
- (3) The following provisions of this Act, that is to say—
  - (a) so much of any provision as authorises the making of any Order in Council or regulations or other instrument;

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- (b) so much of any provision as relates to the making of a return, the furnishing of a certificate or the giving of any other information, including any such provision which imposes a duty on the Board or an officer of the Board as well as any such provision which imposes a duty on any other person;
- (c) so much of any provision as imposes any penalty;
- (d) except where the tax concerned is all tax for years of assessment before the year 1988-89 or accounting periods ending before 6th April 1988, so much of any other provision as confers any power or imposes any duty the exercise or performance of which operates or may operate in relation to tax for more than one chargeable period,

shall come into force for all purposes on 6th April 1988 to the exclusion of the corresponding enactments repealed by this Act.

- (4) This section has effect except as otherwise provided by any other provision of this Act, and in particular except as provided by sections 96, 380 to 384, 393, <sup>F2627</sup> . . . , 400, 703 <sup>F2628</sup> . . . .

#### Textual Amendments

**F2625** Words in s. 843(2) substituted (with effect as mentioned in s. 289(1)(2) of the amending Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch. 10 para. 14(56)** (with ss. 60, 101(1), 171, 201(3))

**F2626** Words in s. 843(2) substituted (retrospectively) by Finance Act 1994 (c. 9), **Sch. 17 para. 8**

**F2627** Words in s. 843(4) repealed by Finance Act 1991 (c. 31, SIF 63:1), ss. 73(3)(4)(5), 123, Sch. 15 para. 24, **Sch. 19 Pt. V**, Note 4

**F2628** Words in s. 843(4) repealed (31.1.2013) by Statute Law (Repeals) Act 2013 (c. 2), s. 3(2), **Sch. 1 Pt. 10** Group 1, Note

#### 844 Savings, transitional provisions, consequential amendments and repeals.

- (1) Schedule 29, which makes amendments to other enactments consequential on the passing of this Act, shall have effect.
- (2) Schedule 29, section 843 and this section are without prejudice to the provisions of the <sup>M114</sup> Interpretation Act 1978 as respects the effect of repeals.
- (3) Schedule 30 which contains savings and transitional provisions shall have effect.
- (4) The enactments mentioned in Schedule 31 are hereby repealed to the extent specified in the third column of that Schedule.
- (5) Subject to subsection (6) below, section 843(3), Schedule 30 and to any other provision of this Act by which any provision is brought into force to the exclusion of the corresponding enactments repealed by this Act, those repeals shall come into force in accordance with subsections (1) and (2) of section 843.
- (6) No provision mentioned in subsection (5) above shall be taken as bringing a repeal into force except to the extent that the repealed enactment is being superseded.

#### Marginal Citations

**M114** 1978 c. 30.



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**845 Short title.**

This Act may be cited as the Income and Corporation Taxes Act 1988.

**Status:**

Point in time view as at 19/07/2013.

**Changes to legislation:**

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