



# Income and Corporation Taxes Act 1988

## 1988 CHAPTER 1

### PART VI

#### COMPANY DISTRIBUTIONS, TAX CREDITS ETC

### CHAPTER III

#### MATTERS WHICH ARE NOT DISTRIBUTIONS FOR THE PURPOSES OF THE CORPORATION TAX ACTS

#### *Stock dividends*

#### **230 Stock dividends: distributions**

Any share capital to which section 249 applies and which is issued by a company either as mentioned in subsection (4), (5) or (6) of that section or to a close company as mentioned in paragraph 12(1) of Schedule 19 (read in either case with subsection (3) of that section)—

- (a) shall, notwithstanding section 209(2)(c), not constitute a distribution within the meaning of section 209(2); and
- (b) for purposes of sections 210 and 211 shall not be treated as issued “as paid up otherwise than by the receipt of new consideration”.