



# Income and Corporation Taxes Act 1988

## 1988 CHAPTER 1

### PART VI

#### COMPANY DISTRIBUTIONS, TAX CREDITS ETC

#### CHAPTER IV

#### TAX CREDITS

#### **231 Tax credits for certain recipients of qualifying distributions.**

<sup>M1</sup>(1) Subject to [<sup>F1</sup>sections 231AA and 231AB of this Act][<sup>F2</sup>and section 219(4B) of the Finance Act 1994,][<sup>F3</sup>for corporation tax purposes where] a company resident in the United Kingdom makes a qualifying distribution and the person receiving the distribution is another such company <sup>F4</sup>. . . , the recipient of the distribution shall be entitled to a tax credit equal to such proportion of the amount or value of the distribution as corresponds to [<sup>F5</sup>the tax credit fraction in force when] the distribution is made.

[<sup>F6</sup>(1A) The tax credit fraction is one-ninth.]

- (2) <sup>F7</sup> .....
- (3) <sup>F8</sup> .....
- (3AA) <sup>F8</sup> .....
- (3A) <sup>F9</sup> .....
- (3B) <sup>F9</sup> .....
- (3C) <sup>F9</sup> .....
- (3D) <sup>F9</sup> .....

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

- (4) Where a distribution mentioned in subsection (1) above is, or falls to be treated as, or under any provision of the Tax Acts is deemed to be, the income of a person other than the recipient, that person shall be treated for the purposes of this section as receiving the distribution (and accordingly the question whether [<sup>F10</sup>that person] is entitled to a tax credit in respect of it shall be determined by reference to where [<sup>F10</sup>that person], and not the actual recipient, is resident); and where any such distribution is income of a United Kingdom trust the trustees shall be entitled to a tax credit in respect of it if no other person falls to be treated for the purposes of this section as receiving the distribution<sup>F11</sup>.
- (5) In subsection (4) above “United Kingdom trust” means a trust administered under the law of any part of the United Kingdom, not being a trust the general administration of which is ordinarily carried on outside the United Kingdom and the trustees, or a majority of the trustees, of which are resident or ordinarily resident outside the United Kingdom<sup>F11</sup>.

#### Textual Amendments

- F1** Words in s. 231(1) 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. 113(2)(a)** (with Sch. 2)
- F2** Words in s. 231(1) inserted (with effect in accordance with s. 22(7) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **s. 22(6)**
- F3** Words in s. 231(1) 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. 113(2)(b)** (with Sch. 2)
- F4** Words in s. 231(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. 113(2)(c), Sch. 3** (with Sch. 2)
- F5** Words in s. 231(1) substituted (with effect in accordance with s. 30(11) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **s. 30(2)(b)**
- F6** S. 231(1A) inserted (with effect in accordance with s. 30(11) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **s. 30(3)**
- F7** S. 231(2) 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(4), **Sch. 8 Pt. 2(9)** (with savings in 1998 c. 36, **s. 90(1)** and S.I. 1998/1871, **reg. 4(1)**)
- F8** S. 231(3)(3AA) 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. 113(3), Sch. 3** (with Sch. 2)
- F9** S. 231(3A)-(3D) 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(7), **Sch. 8 Pt. 2(9)**
- F10** Words in s. 231(4) 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. 113(4)** (with Sch. 2)
- F11** Repealed by 1989 s.187 and Sch.17 Part IV but in accordance with 1989 ss.110 and 111.

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

- C1** See 1989 s.107 and Sch.12—close companies.
- C2** S. 231 excluded (27.7.1999) by Commonwealth Development Corporation Act 1999 (c. 20), **Sch. 3 paras. 1, 6(2)(b)**
- C3** S. 231 excluded (19.7.2006) by Finance Act 2006 (c. 25), s. 121(5), **Sch. 17 para. 18(2)**
- C4** S. 231 excluded by The Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/694), **regs. 69Z18(5), 69Z19(2)** (as inserted (6.4.2008) by The Authorised Investment Funds (Tax) (Amendment) Regulations 2008 (S.I. 2008/705), **regs. 1, 5**)
- C5** See—s.94—taxation of dealer's receipts on purchase by company of own shares.s.423 et seq—close company income.s.448—overseas life assurance companies.

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

- C6 S. 231(1) excluded by Finance Act 1993 (c. 34), s. 171(2B) (as inserted (with effect in accordance with s. 22(7) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), s. 22(1))
- C7 S. 231(1) excluded by Finance Act 1993 (c. 34), s. 171(4B) (as inserted (with effect in accordance with s. 22(7) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), s. 22(4))
- C8 S. 231(4) applied (31.7.1998) by Finance Act 1998 (c. 36), s. 76(4)

**Marginal Citations**

- M1 Source—1972 s.86; 1972 s.110(1)

[<sup>F12</sup> **231A Restrictions on the use of tax credits by pension funds.**

<sup>F13</sup> . . . . . ]

**Textual Amendments**

- F12 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)
- F13 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>F14</sup> **231A No tax credit for borrower under stock lending arrangement or interim holder under repurchase agreement.**

- (1) A person shall not be entitled to a tax credit under section 231 <sup>F15</sup>. . . in respect of a qualifying distribution if—
  - (a) he is the borrower under a stock lending arrangement or the interim holder under a repurchase agreement;
  - (b) the qualifying distribution is, or is a payment representative of, a distribution in respect of securities to which the arrangement or agreement relates; and
  - (c) a manufactured dividend representative of that distribution is paid by that person in respect of securities to which the arrangement or agreement relates.

[<sup>F17</sup> . . . . . ]  
<sup>F16</sup>(1A)

- (2) In this section “stock lending arrangement” has the same meaning as in section 263B of the 1992 Act and, in relation to any such arrangement, any reference to the borrower, or the securities to which the arrangement relates, shall be construed accordingly.
- (3) For the purposes of this section the cases where there is a repurchase agreement are the following—
  - (a) any case falling within subsection (1) of section 730A; and
  - (b) any case which would fall within that subsection if the sale price and the repurchase price were different;and, in any such case, any reference to the interim holder, or the securities to which the agreement relates, shall be construed accordingly.
- (4) For the purposes of this section “manufactured dividend” has the same meaning as in paragraph 2 of Schedule 23A (and any reference to a manufactured dividend being paid accordingly includes a reference to a payment falling by virtue of section 736B(2) or 737A(5) to be treated for the purposes of Schedule 23A as if it were made).]

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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

- F14** S. 231AA inserted (with effect in accordance with s. 102(9) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 102\(1\)](#)
- F15** Words in s. 231AA(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. 24\(2\), Sch. 3 Pt. 1 \(with Sch. 2\)](#)
- F16** S. 231AA(1A) inserted (with effect in accordance with Sch. 24 para. 1(4)(5) of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 24 para. 1\(1\)](#)
- F17** S. 231AA(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. 24\(3\), Sch. 3 Pt. 1 \(with Sch. 2\)](#)

#### [<sup>F18</sup> 231A] **No tax credit for original owner under repurchase agreement in respect of certain manufactured dividends.**

- (1) A person shall not be entitled to a tax credit under section 231<sup>F19</sup> . . . in respect of a qualifying distribution if—
- (a) he is the original owner under a repurchase agreement;
  - (b) the qualifying distribution is a manufactured dividend paid to that person by the interim holder under the repurchase agreement in respect of securities to which the agreement relates; and
  - (c) the repurchase agreement is not such that the actual dividend which the manufactured dividend represents is receivable otherwise than by the original owner.

<sup>F20</sup>(1A) [ <sup>F21</sup> . . . . . ]

- (2) For the purposes of this section the cases where there is a repurchase agreement are the following—
- (a) any case falling within subsection (1) of section 730A; and
  - (b) any case which would fall within that subsection if the sale price and the repurchase price were different;
- and, in any such case, any reference to the original owner, the interim holder, or the securities to which the agreement relates, shall be construed accordingly.
- (3) Subsection (4) of section 231AA applies for the purposes of this section as it applies for the purposes of that section.]

#### Textual Amendments

- F18** S. 231AB inserted (with effect in accordance with s. 102(10) of the amending Act) by [Finance Act 1998 \(c. 36\), s. 102\(2\)](#)
- F19** Words in s. 231AB(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. 25\(2\), Sch. 3 Pt. 1 \(with Sch. 2\)](#)
- F20** S. 231AB(1A) inserted (with effect in accordance with Sch. 24 para. 1(6) of the amending Act) by [Finance Act 2004 \(c. 12\), Sch. 24 para. 1\(2\)](#)
- F21** S. 231AB(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. 25\(3\), Sch. 3 Pt. 1 \(with Sch. 2\)](#)

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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>F22</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
  - (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 [<sup>F23</sup>section 397(2) of ITTOIA 2005]<sup>F24</sup>. . . in respect of the tax credit;
  - (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; and
  - (d) no claim shall be made under section 35 of the Finance (No. 2) Act 1997 (transitional relief) for payment of an amount determined by reference to that distribution.
- (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—

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

- (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.
- (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>F25</sup>“tax advantage” has the meaning given by section 840ZA]]

#### Textual Amendments

- F22** 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)**
- F23** 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)
- F24** 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)**
- F25** 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**

## 232 Tax credits for non-U.K. residents.

<sup>F26</sup> .....

#### Textual Amendments

- F26** 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)

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

**233 Taxation of certain recipients of distributions and in respect of non-qualifying distributions.**

F27 .....

**Textual Amendments**

F27 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.**

- (1) <sup>M2</sup>Without prejudice to [<sup>F28</sup>section 234A]. . . , a company which makes a qualifying distribution shall, if the recipient so requests in writing, furnish to him a statement in writing showing the amount or value of the distribution and (whether or not the recipient is a person entitled to a tax credit in respect of the distribution) the amount of the tax credit to which a recipient who is such a person is entitled in respect of that distribution.
- (2) The duty imposed by subsection (1) above shall be enforceable at the suit or instance of the person requesting the information.
- <sup>F29</sup>(3) .....
- <sup>F29</sup>(4) .....
- (5) <sup>M3</sup>Where a company makes a distribution which is not a qualifying distribution it shall make a return to the inspector—
  - (a) within 14 days from the end of the accounting period in which the distribution is made; or
  - (b) if the distribution is made on a date not falling in an accounting period, within 14 days from that date.
- (6) A return under subsection (5) above shall contain—
  - (a) particulars of the transaction giving rise to the distribution; and
  - (b) the name and address of the person, or each of the persons, receiving the distribution, and the amount or value of the distribution received by him or by each of them.
- (7) Where it is not in the circumstances apparent whether a transaction gives rise to a distribution in respect of which a return is required to be made under subsection (5) above, the company shall—
  - (a) within the time within which such a return would be required to be made if the transaction did give rise to such a distribution, make a return to the inspector containing particulars of the transaction in question; and
  - (b) if required by a notice served on the company by the inspector, furnish him within the time specified in the notice with such further information in relation to the transaction as he may reasonably require.
- (8) If it appears to the inspector that particulars of any transaction ought to have been and have not been included in a return under subsection (5) or (7) above, he may by a notice served on the company require the company to furnish him within the time specified in the notice with such information relating thereto as he may reasonably require.

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

- (9) Any power which the inspector may exercise under [<sup>F30</sup>paragraphs 2 to 4 of Schedule 12 to the Finance Act 1989 for the purposes of the relevant provisions (as defined in paragraph 1 of that Schedule)] may be exercised by him for the purposes of subsections (5) to (8) above.

#### Textual Amendments

- F28** Words in s. 234(1) substituted (with application in relation to distributions begun after 16.7.1992) by Finance (No. 2) Act 1992 (c. 48), s. 32(2)(a)(4).
- F29** S. 234(3)(4) repealed (with application in relation to distributions begun after 16.7.1992) by Finance (No. 2) Act 1992 (c. 48), ss. 32(2)(b)(4), 82, Sch. 18 Pt.VII.
- F30** 1989 s.107 and Sch.12 para.11. *Previously* “paragraph 17 of Schedule 19 for the purposes of that Schedule”.

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

- C9** S. 234 applied (16.8.1995) by The Venture Capital Trust Regulations 1995 (S.I. 1995/1979), reg. 21(2)

#### Marginal Citations

- M2** Source—1970 s.232(4); 1972 Sch.24 18
- M3** Source—1972 Sch.21

### [<sup>F31</sup>234A] Information relating to distributions: further provisions.

- (1) This section applies where dividend or interest is distributed by a company which is—
- (a) a company within the meaning of the Companies Act 1985 or the Companies (Northern Ireland) Order 1986, or
  - (b) a company created by letters patent or by or in pursuance of an Act.
- (2) If the company makes a payment of dividend or interest to any person, and subsection (3) below does not apply, within a reasonable period the company shall send an appropriate statement to that person.
- (3) If the company makes a payment of dividend or interest into a bank or building society account held by any person, within a reasonable period the company shall send an appropriate statement to either—
- (a) the bank or building society concerned, or
  - (b) the person holding the account.
- (4) In a case where—
- (a) a statement is received by a person under subsection (2) or (3)(b) above,
  - (b) the whole or part of the sum concerned is paid to or on behalf of the person as nominee for another person, and
  - (c) the nominee makes a payment of the sum or part to the other person and subsection (5) below does not apply,
- within a reasonable period the nominee shall send an appropriate statement to that person.
- (5) In a case where—
- (a) a statement is received by a person under subsection (2) or (3)(b) above,
  - (b) the whole or part of the sum concerned is paid to or on behalf of the person as nominee for another person, and



*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

- (c) the nominee makes a payment of the sum or part into a bank or building society account held by the other person,  
within a reasonable period the nominee shall send an appropriate statement to either the bank or building society concerned or the other person.
- (6) In the case of a payment of interest which is not a qualifying distribution or part of a qualifying distribution, references in this section to an appropriate statement are to a written statement showing—
- (a) the gross amount which, after deduction of the income tax appropriate to the interest, corresponds to the net amount actually paid,
  - (b) the rate and the amount of income tax appropriate to such gross amount,
  - (c) the net amount actually paid, and
  - (d) the date of the payment.
- (7) In the case of a payment of dividend or interest which is a qualifying distribution or part of a qualifying distribution, references in this section to an appropriate statement are to a written statement showing—
- (a) the amount of the dividend or interest paid,
  - (b) the date of the payment, and
  - (c) the amount of the tax credit to which a person is entitled in respect of the dividend or interest, or to which a person would be so entitled if he had a right to a tax credit in respect of the dividend or interest.
- (8) In this section “send” means send by post.
- [ In this section “bank” has the meaning given by section 840A.]
- <sup>F32</sup>(8A)
- (9) If a person fails to comply with subsection (2), (3), (4) or (5) above, the person shall incur a penalty of £60 in respect of each offence, except that the aggregate amount of any penalties imposed under this subsection on a person in respect of offences connected with any one distribution of dividends or interest shall not exceed £600.
- (10) The Board may by regulations provide that where a person is under a duty to comply with subsection (2), (3), (4) or (5) above, the person shall be taken to comply with the subsection if the person either—
- (a) acts in accordance with the subsection concerned, or
  - (b) acts in accordance with rules contained in the regulations;
- and subsection (9) above shall be construed accordingly.
- (11) Regulations under subsection (10) above may make different provision for different circumstances.]

#### Textual Amendments

- F31** S. 234A inserted (with application in relation to distributions begun after 16.7.1992) by [Finance \(No. 2\) Act 1992 \(c. 48\), s. 32\(1\)\(4\)](#).
- F32** S. 234A(8A) inserted (with application in accordance with [Sch. 37 para. 7](#) of the amending Act) by [Finance Act 1996 \(c. 8\), Sch. 37 para. 2\(1\)\(2\)\(a\)](#)

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

- C10** S. 234A applied (with modifications) (1.4.2006 with effect in accordance with reg. 1(2) of the affecting S.I.) by [The Authorised Investment Funds \(Tax\) Regulations 2006 \(S.I. 2006/964\)](#), [regs.](#)

*Status: Point in time view as at 06/04/2007.*

*Changes to legislation: Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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)*

- 1(1)**, 70 (as amended (1.9.2009) by [The Authorised Investment Funds \(Tax\) \(Amendment\) Regulations 2009 \(S.I. 2009/2036\)](#), [regs. 1, 2, 25](#))
- C11** S. 234A applied (1.9.2009 with effect in accordance with reg. 1(2) of the affecting S.I.) by [The Investment Trusts \(Dividends\) \(Optional Treatment as Interest Distributions\) Regulations 2009 \(S.I. 2009/2034\)](#), [regs. 1\(1\), 21](#)
- C12** S. 234A(4) excluded (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. 493\(3\)](#) (with [s. 493\(5\)](#), [Sch. 7](#))
- C13** S. 234A(4)-(11) applied (6.4.2003 with effect in accordance with s. 723(1) of the affecting Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [Sch. 2 para. 80\(4\)](#) (with [Sch. 7](#))

**F33 235 Distributions of exempt funds etc.**

.....

**Textual Amendments**

- F33** [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\(9\)](#)

**F34 236 Provisions supplementary to section 235.**

.....

**Textual Amendments**

- F34** [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\(9\)](#)

**F35 237 Disallowance of reliefs in respect of bonus issues.**

.....

**Textual Amendments**

- F35** [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\(9\)](#)

**Status:**

Point in time view as at 06/04/2007.

**Changes to legislation:**

Income and Corporation Taxes Act 1988, CHAPTER IV is up to date with all changes known to be in force on or before 08 July 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.