



Income and Corporation Taxes Act 1988

1988 CHAPTER 1

PART XIX

SUPPLEMENTAL

Interpretation

831 Interpretation of this Act.

- (1) ^{M1}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
 - (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—
 - [^{F1}“CTA 2009” means the Corporation Tax Act 2009;]
 - [^{F2}“ITEPA 2003” means the Income Tax (Earnings and Pensions) Act 2003;]
 - [^{F3}“ITTOIA 2005” means the Income Tax (Trading and Other Income) Act 2005;]
 - [^{F4}“ITA 2007” means the Income Tax Act 2007;]
 - “the Management Act” means the Taxes Management Act 1970;
 - “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.
 - [^{F5}“the 1990 Act” means the Capital Allowances Act 1990.]
 - [^{F6}“the 1992 Act” means the Taxation of Chargeable Gains Act 1992.]

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- (4) Section 1 of the ^{M2}Family Law Reform Act 1987, the paragraph inserted in Schedule 1 to the ^{M3}Interpretation Act 1978 by paragraph 73 of Schedule 2 to that Act and section 1(3) of the ^{M4}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) ^{M5}This Act, so far as it relates to capital gains tax, shall be construed as one with the [^{F7}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

- F1** S. 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)
- F2** S. 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)
- F3** S. 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)
- F4** S. 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)
- F5** 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**
- F6** 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))
- F7** 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)

- C1** S. 831(4) applied (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), **Sch. 22 para. 144(2)**

Marginal Citations

- M1** Source—1970 s.526(1), (2); 1987 Sch.15 12
- M2** 1987 c. 42.
- M3** 1978 c. 30.
- M4** 1986 c. 9.
- M5** Source—1970 s.540(2)

832 Interpretation of the [^{F8}Corporation Tax Acts etc].

- (1) [^{F9M6}In the Corporation Tax Acts, except] in so far as the context otherwise requires—
- “Act” includes an Act of the Parliament of Northern Ireland and a Measure of the Northern Ireland Assembly;
- ^{F10}
- “authorised unit trust” has the meaning given by section 468(6);
- ^{F11}

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- “the Board” means the Commissioners of Inland Revenue;
- “body of persons” means any body politic, corporate or collegiate, and any company, fraternity, fellowship and society of persons whether corporate or not corporate;
- “building society” means a building society within the meaning of the ^{M7}Building Societies Act 1986;
- “capital allowance” means any allowance under [^{F12}the Capital Allowances Act (including enactments which under this Act are to be treated as contained in that Act)];
- [^{F13}“the Capital Allowances Act” means the Capital Allowances Act 2001;
- “chargeable gain” has the same meaning as in the [^{F14}1992] Act;
- “chargeable period” means an accounting period of a company or a year of assessment;
- “close company” has the meaning given by sections 414 and 415;
- “collector” means any collector of taxes;
- “company” means, subject to subsection (2) below, any body corporate or unincorporated association but does not include a partnership, a local authority or a local authority association;
- “distribution” has the meaning given by Part VI with section 418;
- [^{F15}“estate in land”, in relation to any land in Scotland, includes the land;]
- “farm land” means land in the United Kingdom wholly or mainly occupied for the purposes of husbandry, but excluding any dwelling or domestic offices, and excluding market garden land, and “farming” shall be construed accordingly;
- [^{F16}“for accounting purposes” means for the purposes of accounts drawn up in accordance with generally accepted accounting practice;]
- [^{F17}“franked investment income” means income of a company resident in the United Kingdom which consists of a distribution in respect of which the company is entitled to a tax credit (and which accordingly represents income equal to the aggregate of the amount or value of the distribution and the amount of that credit);
- ^{F18}
- [^{F19}“generally accepted accounting practice” [^{F20}has the meaning given by section 50(1) of the Finance Act 2004];]
- ^{F21}
- ^{F22}
- ^{F23}
- “inspector” means any inspector of taxes;
- ^{F24}
- [^{F25}“international accounting standards” has the meaning given by section 50(2) of the Finance Act 2004;]
- [^{F26}^{F27}
- [^{F28}“local authority association” has the meaning given by section 519;]
- [^{F29}^{F30}
- “market garden land” means land in the United Kingdom occupied as a nursery or garden for the sale of the produce (other than land used for the growth of hops) and “market gardening” shall be construed accordingly;
- “notice” means notice in writing [^{F31}^{F32} . . .];

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[^{F33c}“offshore installation” has the meaning given by section 837C;]

[^{F34c}“open-ended investment company”, and “authorised corporate director”, “owner of shares” and “scheme property” in relation to an open-ended investment company, have the meanings given by subsection (10) of section 468, read with subsections (11) to (18) of that section, as those subsections are added by regulation 10(4) of the Open-ended Investment Companies (Tax) Regulations 1997;

“ordinary share capital”, in relation to a company, means all the issued share capital (by whatever name called) of the company, other than capital the holders of which have a right to a dividend at a fixed rate but have no other right to share in the profits of the company;

^{F35}

[^{F36c}“period of account” —

- (a) in relation to a person, means any period for which the person draws up accounts, and
- (b) in relation to a trade, profession, vocation or other business means any period for which accounts of the business are drawn up;]

[^{F37c}“permanent establishment”, in relation to a company, has the meaning given by section 148 of the Finance Act 2003;]

^{F38}

[^{F39c}“property investment LLP” has the meaning given by section 842B;]

“qualifying distribution” has the meaning given by section 14(2);

“qualifying policy” means a policy of insurance which is a qualifying policy for the purposes of Chapter I of Part VII;

[^{F40F41}

^{F42}

^{F43}

[^{F44c}“registered pension scheme” has the meaning given by section 150(2) of the Finance Act 2004;]

[^{F45F46}

[^{F47F48}

[^{F49c}“scheme administrator”, in relation to a pension scheme, has the meaning given by section 270 of the Finance Act 2004 (but see also sections 271 to 274 of that Act);]

[^{F50F51}

[^{F52F53}

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[^{F54F55}

^{F56}

[^{F57c}“tax credit” means—

- (a) a tax credit under section 231 ^{F58} . . . ; and

- (b) ^{F59}

“trade” includes every trade, manufacture, adventure or concern in the nature of trade;

[^{F60c}“tribunal” means the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal]

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[^{F61}“UK generally accepted accounting practice” has the meaning given by section 50(4) of the Finance Act 2004;]

[^{F62}^{F63}

^{F64}

“unit holder” has the meaning given by section 468(6);

[^{F65}“unit trust scheme” has the same meaning as in the Income Tax Acts (see section 1007 of ITA 2007);]

“year of assessment” means, with reference to any income tax, the year for which such tax was granted by any Act granting income tax;

“the year 1988-89” means the year of assessment beginning on 6th April 1988, and any corresponding expression in which two years are similarly mentioned means the year of assessment beginning on 6th April in the first-mentioned of those two years;

and a source of income is within the charge to corporation tax or income tax if that tax is chargeable on the income arising from it, or would be so chargeable if there were any such income, and references to a person, or to income, being within the charge to tax, shall be similarly construed.

(2) ^{M8} The definition of “company” is subject to section 468, and does not apply in the following provisions of this Act, that is to say—

Chapter I of Part XVII;

sections 774 to 777;

section 839;

paragraph 15 of Schedule 3;

(and also does not apply where the context otherwise requires because some other definition of “company” applies).

[Chapter 2 of Part 9 of ITA 2007 (which relates to settlements and trustees) applies for ^{F66}(2A) the purposes of the Corporation Tax Acts as it applies for the purposes of the Income Tax Acts.]

(3) ^{M9} Except so far as the context otherwise requires, in the Tax Acts, and in any enactment passed after 12th March 1970 which by any express provision is to be construed as one with the Tax Acts, the Corporation Tax Acts or the Income Tax Acts, “tax”, where neither income tax nor corporation tax is specified, means either of those taxes.

(4) ^{F67}

[Any reference in the [^{F69}Corporation Tax Acts] to franked investment income received ^{F68}(4A) by a company apply to any such income received by another person on behalf of or in trust for the company, but not to any such income received by the company on behalf of or in trust for another person.]

(5) ^{F70}]]]

Textual Amendments

F8 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](#))

F9 Words in s. 832(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. 212\(2\)\(a\)](#) (with [Sch. 2](#))

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- F10** S. 832(1): definition of "additional rate" repealed (with effect in accordance with Sch. 18 Pt. 6(1) Note of the repealing Act) by **Finance Act 1997 (c. 16), Sch. 18 Pt. 6(1)**
- F11** S. 832(1): definition of "basic rate" and "basic rate limit" 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. 212(2)(b), Sch. 3 Pt. 1** (with Sch. 2)
- F12** S. 832(1): words in definition of "capital allowance" substituted (with effect in accordance with s. 579 of the amending Act) by **Capital Allowances Act 2001 (c. 2), Sch. 2 para. 60(a)**
- F13** S. 832(1): definition of "the Capital Allowances Act" substituted for definition of "the Capital Allowances Acts" (with effect in accordance with s. 579 of the amending Act) by **Capital Allowances Act 2001 (c. 2), Sch. 2 para. 60(b)**
- F14** Word in s. 832(1) substituted (6.3.1992 with effect as mentioned in s. 289(1)(2) of the substituting Act) by **Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch. 10 para. 14(54)** (with ss. 60, 101(1), 171, 201(3)).
- F15** S. 832(1): definition of "estate in land" inserted (S.) (28.11.2004) by Abolition of Feudal Tenure etc. (Scotland) Act (asp 5), ss. 71, 77(2)(c); **S.S.I. 2003/456, art. 2**
- F16** S. 832(1): definition of "for accounting purposes" inserted (with effect in accordance with s. 103(6) of the amending Act) by **Finance Act 2002 (c. 23), s. 103(1)**
- F17** S. 832(1): definition of "franked investment income" substituted (with effect in accordance with Sch. 3 para. 39(8) of the amending Act) by **Finance Act 1998 (c. 36), Sch. 3 para. 39(2)**
- F18** S. 832(1): definition of "franked payment" repealed (with effect in accordance with Sch. 3 para. 39(8) of the repealing Act) by **Finance Act 1998 (c. 36), Sch. 3 para. 39(3), Sch. 27 Pt. 3(2)**, Note
- F19** S. 832(1): definition of "generally accepted accounting practice" inserted (with effect in accordance with s. 103(6) of the amending Act) by **Finance Act 2002 (c. 23), s. 103(1)**
- F20** S. 832(1): words in definition of "generally accepted accounting practice" substituted (with effect in accordance with s. 50(6) of the amending Act (as amended (retrospectively) by 2005 c. 7, Sch. 4 para. 50, **Sch. 11 Pt. 2(7)**, Note 1)) by **Finance Act 2004 (c. 12), s. 50(5)(a)**
- F21** S. 832(1): definition of "group income" repealed (with effect in accordance with Sch. 3 para. 39(9) of the repealing Act) by **Finance Act 1998 (c. 36), Sch. 3 para. 39(4), Sch. 27 Pt. 3(2)**, Note
- F22** S. 832(1): definition of "higher rate" 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. 212(2)(c), Sch. 3 Pt. 1** (with Sch. 2)
- F23** S. 832(1): definition of "industrial assurance business" 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. 212(2)(d), Sch. 3 Pt. 1** (with Sch. 2)
- F24** S. 832(1): definition of "interest" 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. 212(2)(e), Sch. 3 Pt. 1** (with Sch. 2)
- F25** S. 832(1): definition of "international accounting standards" inserted (with effect in accordance with s. 50(6) of the amending Act (as amended (retrospectively) by 2005 c. 7, Sch. 4 para. 50, **Sch. 11 Pt. 2(7)**, Note 1)) by **Finance Act 2004 (c. 12), s. 50(5)(b)**
- F26** S. 832(1): definition of "investment LLP" and "property investment LLP" 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(2)**
- F27** S. 832(1): definition of "investment LLP" and "property investment LLP" 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. 212(2)(f), Sch. 3 Pt. 1** (with Sch. 2)
- F28** 1990 s.127 and Sch.18 para.5(3) on and after 1 April 1990. *Previously* " "local authority" and "local authority association" have the meanings given by section 519;".
- F29** S. 832(1): definition of "lower rate" inserted (16.3.1992 with application for the year 1992-93 and subsequent years of assessment) by **Finance Act 1992 (c. 20), s. 9(9)(10)(11)**
- F30** S. 832(1): definition of "lower rate" 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. 212(2)(g), Sch. 3 Pt. 1** (with Sch. 2)
- F31** S. 832(1): words in definition of "notice" inserted (31.7.1998) by **Finance Act 1998 (c. 36), s. 118(10)**
- F32** S. 832(1): words in definition of "notice" 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. 212(2)(h), Sch. 3 Pt. 1** (with Sch. 2)

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- F33** S. 832(1): definition of "offshore installation" inserted (with effect in accordance with Sch. 27 para. 3 of the amending Act) by Finance Act 2004 (c. 12), **Sch. 27 para. 2**
- F34** S. 832(1): definitions of "open-ended investment company", "authorised corporate director", "owner of shares" and "scheme property" inserted (28.4.1997) by The Open-ended Investment Companies (Tax) Regulations 1997 (S.I. 1997/1154), **reg. 14**
- F35** S. 832(1): definition of "overseas property 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. 272(2)(a), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F36** S. 832(1): definition of "period of account" inserted (with effect in accordance with s. 103(6) of the amending Act) by Finance Act 2002 (c. 23), **s. 103(1)**
- F37** S. 832(1): definition of "permanent establishment" inserted (10.7.2003) by Finance Act 2003 (c. 14), **s. 148(6)**
- F38** S. 832(1): definition of "preference dividend" 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. 212(2)(j), **Sch. 3 Pt. 1** (with Sch. 2)
- F39** S. 832(1): definition of "property investment LLP" 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. 212(2)(k)** (with Sch. 2)
- F40** S. 832(1): definition of "the rate applicable to trusts" inserted (27.7.1993 with effect for the year 1993-94 and subsequent years of assessment) by 1993 c. 34, s. 79, Sch. 6 paras.15, **25(1)**
- F41** S. 832(1): definition of "the rate applicable to trusts" 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. 212(2)(l), **Sch. 3 Pt. 1** (with Sch. 2)
- F42** S. 832(1): definition of "the rate of advance corporation tax" repealed (with effect in accordance with Sch. 3 para. 39(9) of the repealing Act) by Finance Act 1998 (c. 36), Sch. 3 para. 39(5), **Sch. 27 Pt. 3(2)**, Note
- F43** S. 832(1): definition of "recognised clearing system" repealed (with effect in accordance with Sch. 7 para. 32 of the repealing Act) by Finance Act 1996 (c. 8), Sch. 7 para. 25, **Sch. 41 Pt. 5(2)**, Note (with Sch. 7 paras. 33-35)
- F44** S. 832(1): definition of "registered pension scheme" inserted (6.4.2006) by Finance Act 2004 (c. 12), s. 284(1), **Sch. 35 para. 35(2)** (with Sch. 36)
- F45** S. 832(1): definition of "relevant foreign income" 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. 337(b)** (with Sch. 2)
- F46** S. 832(1): definition of "relevant foreign income" 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. 212(2)(m), **Sch. 3 Pt. 1** (with Sch. 2)
- F47** S. 832(1): definition of "Schedule A business" inserted (with effect in accordance with s. 39(4)(5) of the amending Act) by Finance Act 1995 (c. 4), **Sch. 6 para. 28**
- F48** S. 832(1): definition of "Schedule A 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. 272(2)(b), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)
- F49** S. 832(1): definition of "scheme administrator" inserted (6.4.2006) by Finance Act 2004 (c. 12), s. 284(1), **Sch. 35 para. 35(3)** (with Sch. 36)
- F50** S. 832(1): definition of "starting rate" and "starting rate limit" inserted after the definition of "Schedule A business" (with effect in accordance with s. 22(12) of the amending Act) by Finance Act 1999 (c. 16), **s. 22(10)(b)**
- F51** S. 832(1): definition of "starting rate" and "starting rate limit" 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. 212(2)(n), **Sch. 3 Pt. 1** (with Sch. 2)
- F52** S. 832(1): definitions of "the Schedule F ordinary rate", "the Schedule F trust rate", and "the Schedule F upper rate" inserted (with effect in accordance with Sch. 4 para. 22(2) of the amending Act) by Finance (No. 2) Act 1997 (c. 58), **Sch. 4 para. 22(1)**

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- F53** S. 832(1): definitions of "the dividend ordinary rate", "the dividend trust rate" and "the dividend upper rate" 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. 212\(2\)\(q\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F54** S. 832(1): definition of "step-child" inserted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\), regs. 1\(1\), 99](#)
- F55** S. 832(1): definition of "step-child" 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. 212\(2\)\(o\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F56** S. 832(1): definition of "surplus of franked investment income" repealed (with effect in accordance with Sch. 3 para. 39(8) of the repealing Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 39\(6\), Sch. 27 Pt. 3\(2\)](#), Note
- F57** S. 832(1): definition of "tax credit" 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. 337\(e\)](#) (with Sch. 2)
- F58** S. 832(1): in definition of "tax credit", words in para. (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. 212\(2\)\(p\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F59** S. 832(1): in definition of "tax credit", para. (b) 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. 212\(2\)\(p\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F60** S. 832(1): definition of "tribunal" 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. 157](#)
- F61** S. 832(1): definition of "UK generally accepted accounting practice" inserted (with effect in accordance with s. 50(6) of the amending Act (as amended (retrospectively) by 2005 c. 7, Sch. 4 para. 50, [Sch. 11 Pt. 2\(7\)](#), Note 1)) by [Finance Act 2004 \(c. 12\), s. 50\(5\)\(b\)](#)
- F62** S. 832(1): definition of "UK property business" 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. 337\(f\)](#) (with Sch. 2)
- F63** S. 832(1): definition of "UK property business" 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. 212\(2\)\(r\), Sch. 3 Pt. 1](#) (with Sch. 2)
- F64** S. 832(1): definition of "Ulster Savings Certificates" 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. 337\(g\), Sch. 3](#) (with Sch. 2)
- F65** S. 832(1): definition of "unit trust scheme" 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\(2\)\(s\)](#) (with Sch. 2)
- F66** S. 832(2A) 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. 212\(3\)](#) (with Sch. 2)
- F67** S. 832(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. 272\(3\), Sch. 3 Pt. 1](#) (with Sch. 2 Pts. 1, 2)
- F68** S. 832(4A) inserted (with effect in accordance with Sch. 3 para. 39(8) of the amending Act) by [Finance Act 1998 \(c. 36\), Sch. 3 para. 39\(7\)](#)
- F69** Words in s. 832(4A) 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\(4\)](#) (with Sch. 2)
- F70** S. 832(5) 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. 212\(5\), Sch. 3 Pt. 1](#) (with Sch. 2)

Marginal Citations

- M6** 1970 s.526(5), 527(1); 1971 s.32(1), (1D), Sch.8 16(3); 1976 Sch.4 11; 1972 s.93(6); 1979(C), Sch.7; 1981 s.34(5); 1987 Sch.15 2(20)
- M7** 1986 c. 53.
- M8** Source—1970 s.526(6)
- M9** Source—1970 s.526(3), (4)

Status: Point in time view as at 01/04/2009.

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833 Interpretation of Income Tax Acts.

F71

Textual Amendments

F71 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.

^{M10}(1) For the purposes of the Corporation Tax Acts, except in so far as the context otherwise requires—

“accounting date” means the date to which a company makes up its accounts^{F72} . . . ;

“accounting period” shall be construed in accordance with [^{F73}Chapter 2 of Part 2 of CTA 2009];

“allowable loss” does not include, for the purposes of corporation tax in respect of chargeable gains, a loss accruing to a company in such circumstances that if a gain accrued the company would be exempt from corporation tax in respect of it [^{F74} [^{F75} does not include a loss accruing to a company in such circumstances that if a gain accrued the company would be exempt from corporation tax in respect of it.]];

“branch or agency” means any factorship, agency, receivership, branch or management;

[^{F76}“the charge to corporation tax on income” has the same meaning as in CTA 2009 (see section 2(3));]

[^{F77}“chargeable profits”, in relation to a company that is not resident in the United Kingdom—

(a) for corporation tax purposes generally, has the meaning given by [^{F78}section 19 of CTA 2009], and

(b) for the purposes of Chapter 4 of Part 17 (controlled foreign companies), has the meaning given by section 747(6);]

“charges on income” has the meaning given by section [^{F79}338A];

[^{F80}“derivative contract” has the same meaning as it has for the purposes of [^{F81}Part 7 of CTA 2009];]

“the financial year 1988” means the financial year beginning with April 1988, and similarly with references embodying other dates;

“group relief” has the meaning given by section 402;

[^{F82}“income” includes anything to which the charge to corporation tax on income applies;]

[^{F83}“loan relationship” has the same meaning as it has for the purposes of [^{F84}Part 5 of CTA 2009];]

“non-trading deficit”, in relation to a company’s loan relationships, shall be construed in accordance with [^{F85}section 301 of CTA 2009];]

[^{F86}“registered industrial and provident society” means—

(a) a society registered or treated as registered under the Industrial and Provident Societies Act 1965 or the Industrial and Provident Societies Act (Northern Ireland) 1969, or

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- (b) an SCE formed in accordance with Council Regulation (EC) No 1435/2003 on the Statute for a European Co-Operative Society;]
[^{F87}“statutory insolvency arrangement” means—
- (a) a voluntary arrangement that has taken effect under or as a result of the Insolvency Act 1986, Schedule 4 or 5 to the Bankruptcy (Scotland) Act 1985 or the Insolvency (Northern Ireland) Order 1989,
- (b) [^{F88}a compromise or arrangement that has taken effect under Part 26 of the Companies Act 2006, or]
- (c) any arrangement or compromise of a kind corresponding to any of those mentioned in paragraph (a) or (b) above that has taken effect under or by virtue of the law of a country or territory outside the United Kingdom;]
[^{F89}“venture capital trust” has the same meaning as in Part 6 of ITA 2007.]
- (2) Section 6(4) shall also apply for the purposes of the following provisions of this Act, that is to say—
- Chapter II of Part X, except section 395;
[^{F90}section 76];
section 490;
sections 768 and 769;
[^{F91}section 834C.]
- ^{F92}
- (3) For all the purposes of the Corporation Tax Acts dividends shall be treated as paid on the date when they become due and payable, [^{F93}except in so far as Chapter III of Part XII makes other provision for dividends treated as paid by virtue of that Chapter].
- (4) Except as otherwise provided by the Corporation Tax Acts, any apportionment to different periods which falls to be made under those Acts [^{F94}, other than CTA 2009,] shall be made on a time basis according to the respective lengths of those periods.

Textual Amendments

- F72** S. 834(1): words in definition of "accounting date" repealed (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [Sch. 40 Pt. 3\(16\)](#)
- F73** S. 834(1): words in definition of "accounting period" 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. 273\(2\)\(a\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F74** S. 834(1): words in definition of "allowable loss" inserted (with effect in accordance with s. 69(5) of the amending Act) by [Finance Act 2006 \(c. 25\)](#), [s. 69\(4\)](#)
- F75** S. 834(1): words in definition of "allowable loss" substituted (with effect in accordance with s. 27(6) of the amending Act) by [Finance Act 2007 \(c. 11\)](#), [s. 27\(5\)](#)
- F76** S. 834(1): definition of "the charge to corporation tax on income" 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. 273\(2\)\(b\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F77** S. 834(1): definition of "chargeable profits" inserted (with effect in accordance with s. 149(6) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [s. 149\(5\)](#)
- F78** S. 834(1): words in definition of "chargeable profits" 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. 273\(2\)\(c\)](#) (with [Sch. 2 Pts. 1, 2](#))
- F79** S. 834(1): words in definition of "charges on income" substituted (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [Sch. 30 para. 1\(4\)](#)

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- F80** S. 834(1): definition of "derivative contract" inserted (with effect in accordance with s. 83(3) of the amending Act) by Finance Act 2002 (c. 23), **Sch. 27 para. 13**
- F81** S. 834(1): words in definition of "derivative contract" 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. 273(2)(d)** (with Sch. 2 Pts. 1, 2)
- F82** S. 834(1): definition of "income" 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. 273(2)(e)** (with Sch. 2 Pts. 1, 2)
- F83** S. 834(1): definitions of "loan relationship" and "non-trading deficit" inserted (with effect in accordance with s. 105(1) of the amending Act) by Finance Act 1996 (c. 8), **Sch. 14 para. 49** (with Sch. 15)
- F84** S. 834(1): words in definition of "loan relationship" 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. 273(2)(f)** (with Sch. 2 Pts. 1, 2)
- F85** S. 834(1): words in definition of "non-trading deficit" 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. 273(2)(g)** (with Sch. 2 Pts. 1, 2)
- F86** S. 834(1): definition of "registered industrial and provident society" 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. 273(2)(h)** (with Sch. 2 Pts. 1, 2)
- F87** S. 834(1): definition of "statutory insolvency arrangement" inserted (with effect in accordance with s. 80(3)(4) of the amending Act) by Finance Act 2005 (c. 7), **Sch. 4 para. 8**
- F88** S. 834(1): in definition of "statutory insolvency arrangement", para. (b) substituted (6.4.2008) by The Companies Act 2006 (Consequential Amendments) (Taxes and National Insurance) Order 2008 (S.I. 2008/954), **arts. 1(1), 13** (with art. 4)
- F89** S. 834(1): definition of "venture capital trust" 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. 214** (with Sch. 2)
- F90** Words in s. 834(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. 273(3)(a)** (with Sch. 2 Pts. 1, 2)
- F91** Words in s. 834(2) 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. 273(3)(b)** (with Sch. 2 Pts. 1, 2)
- F92** Words in s. 834(2) repealed (with effect in accordance with s. 579 of the repealing Act) by Capital Allowances Act 2001 (c. 2), Sch. 2 para. 61, **Sch. 4**
- F93** Words in s. 834(3) substituted (with effect in accordance with Sch. 14 para. 7 of the amending Act) by Finance Act 1994 (c. 9), **Sch. 14 para. 6**
- F94** Words in s. 834(4) 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. 273(4)** (with Sch. 2 Pts. 1, 2)

Modifications etc. (not altering text)

- C2** S. 834(1): definition of "allowable loss" excluded (with effect in accordance with s. 63(4) of the excluding Act) by Finance Act 2000 (c. 17), **Sch. 15 para. 94(4)**

Marginal Citations

- M10** Source—1970 s.527.

[^{F95}834A Miscellaneous charges (list for the purposes of certain provisions that formerly referred to Case VI of Schedule D)

- (1) In the Corporation Tax Acts references to any provision to which this section applies are references to any provision listed in the following table, so far as the provision relates to corporation tax (but subject to any applicable limitation in subsection (3)).
- (2) This is the table—

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PART 1

<i>Provisions of this Act</i>	<i>Description</i>
Section 56(2)	Transactions in deposits
Section 214(1)(ab)	Chargeable payments connected with exempt distributions
Section 436A(1)	Gross roll-up business: separate charge on profits
Section 442A(1)	Taxation of investment return where risk reinsured
Section 571(1)	Cancellation of tax certificates
Section 730(6)	Transfers of income arising from securities
Section 761(1)(b)(ii)	Offshore income gains
Section 774(1)	Transactions between dealing company and associated company
Section 776(3A)	Transactions in land
Section 780(3A)(b)	Sale and leaseback: taxation of consideration received
Section 781(1)	Assets leased to traders and others
Section 786(5)(b)	Transactions associated with loans or credit

PART 2

<i>Provisions of CTA 2009</i>	<i>Description</i>
Chapter 15 of Part 3	Post-cessation receipts: trades
Chapter 7 of Part 4	Rent receivable in connection with a UK section 39(4) concern
Chapter 8 of Part 4	Rent receivable for UK electric-line wayleaves
Chapter 9 of Part 4	Post-cessation receipts: UK property businesses
Section 752	Non-trading gains on intangible fixed assets
Section 908	Profits from disposals of know-how
Section 912	Profits from sales of patent rights
Section 965(4)	Adjustments after the administration period
Chapter 8 of Part 10	Income not otherwise charged

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Section 986(4), so far as it relates to an amount treated as received under section 998(3)	Withdrawal of deductions if approval for share incentive plan withdrawn: non-trading cases
Section 1083(5)	Refunds of expenditure on research and development
Section 1229	Management expenses: claw back of relief
Section 1252	Industrial development grants: companies with investment business
Section 1253	Contributions to local enterprise organisations or urban regeneration companies: disqualifying benefits
Section 1254	Repayments under the Financial Services and Markets Act 2000
Section 1277(4)	Withdrawal of relief for unremittable foreign income after source ceases

PART 3

<i>Other provisions</i>	<i>Description</i>
Section 85(1) of the Finance Act 1989	Certain receipts of basic life assurance and general annuity business
Section 85A(1) of the Finance Act 1989	Excess adjusted life assurance trade profits
Paragraph 3(1) of Schedule 12 to the Finance (No 2) Act 1992	Banks etc in compulsory liquidation
Section 256(2) of the Capital Allowances Act	Life assurance business: capital allowances
Section 131(4) of the Finance Act 2004	Companies in partnership
Section 27(2) of the Finance (No 2) Act 2005	Avoidance involving tax arbitrage: qualifying payments
Section 112(1) of the Finance Act 2006	Real estate investment trusts: entry charge

- (3) The reference in Part 2 of the above table to Chapter 8 of Part 10 of CTA 2009 does not include that Chapter so far as relating to income which arises from a source outside the United Kingdom.]

Textual Amendments

F95 S. 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)

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[^{F96}834B Meaning of “UK property business” and “overseas property business”

In the enactments relating to corporation tax “UK property business” and “overseas property business” have the meaning given by Chapter 2 of Part 4 of CTA 2009.]

Textual Amendments

F96 S. 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)

[^{F97}834C Total profits

- (1) In the Corporation Tax Acts references to total profits, in relation to an accounting period of a company, are to the amount arrived at by adding together—
 - (a) the amounts chargeable for the period under the charge to corporation tax on income, and
 - (b) any amount to be included for the period in respect of chargeable gains (see section 8 of the 1992 Act).
- (2) Subsection (1) is subject to the provisions of the Corporation Tax Acts.]

Textual Amendments

F97 S. 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)

835 “Total income” in the Income Tax Acts.

^{F98}

Textual Amendments

F98 S. 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.

^{F99}

Textual Amendments

F99 S. 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)

[^{F100}836A Generally accepted accounting practice

^{F101}]

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Textual Amendments

- F100** S. 836A inserted (with effect in accordance with s. 103(6) of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [s. 103\(2\)](#)
- F101** S. 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

[^{F102}836B] Table of provisions to which this section applies

F103

Textual Amendments

- F102** S. 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](#))
- F103** S. 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.

F104

Textual Amendments

- F104** S. 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](#))

[^{F105}837A] Meaning of “research and development”.

- (1) The following provisions have effect for the purposes of, and subject to, the provisions of the [^{F106}Corporation Tax Acts] which apply this section.
- (2) “Research and development” means activities that fall to be treated as research and development in accordance with [^{F107}generally accepted accounting practice].

This is subject to [^{F108}subsections (2A) and (2B)] below.

[^{F109}(2A) Activities that, as a result of regulations made under section 1006 of ITA 2007, are “research and development” for the purposes of that section are also “research and development” for the purposes of this section.

(2B) And activities that, as a result of any such regulations, are not “research and development” for the purposes of that section are also not “research and development” for the purposes of this section.]

(5) ^{F110}

(6) Unless otherwise expressly provided, “research and development” does not include oil and gas exploration and appraisal.]

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Textual Amendments

- F105** S. 837A inserted (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), [Sch. 19 para. 1](#)
- F106** Words in s. 837A(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. 219\(2\)](#) (with Sch. 2)
- F107** Words in s. 837A(2) substituted (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [s. 103\(4\)\(a\)](#)
- F108** Words in s. 837A(2) 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. 219\(3\)](#) (with Sch. 2)
- F109** S. 837A(2A)(2B) substituted for s. 837A(3)(4) (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. 219\(4\)](#) (with Sch. 2)
- F110** S. 837A(5) repealed (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [Sch. 40 Pt. 3\(16\)](#)

[^{F111}837B Meaning of “oil and gas exploration and appraisal”.

- (1) References in the [^{F112}Corporation Tax Acts] to “oil and gas exploration and appraisal” are to activities carried out for the purpose of—
- (a) searching for petroleum anywhere in an area, or
 - (b) ascertaining—
 - (i) the extent or characteristics of any petroleum-bearing area, or
 - (ii) what the reserves of petroleum of any such area are,
 so that it may be determined whether the petroleum is suitable for commercial exploitation.
- (2) For this purpose “petroleum” has the meaning given in section 1 of the ^{M11}Petroleum Act 1998.]

Textual Amendments

- F111** S. 837B inserted (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), [Sch. 19 para. 2](#)
- F112** Words in s. 837B(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. 220](#) (with Sch. 2)

Marginal Citations

- M11** 1998 c. 17.

[^{F113}837C Meaning of “offshore installation”

- (1) For the purposes of the [^{F114}Corporation Tax Acts], unless the context otherwise requires, “offshore installation” means a structure which is, is to be, or has been, put to a use specified in subsection (2) while—
- (a) standing in any waters,
 - (b) stationed (by whatever means) in any waters, or
 - (c) standing on the foreshore or other land intermittently covered with water.
- (2) The uses are—
- (a) use for the purposes of exploiting mineral resources by means of a well;
 - (b) use for the purposes of exploration with a view to exploiting mineral resources by means of a well;
 - (c) use for the storage of gas in or under the shore or the bed of any waters;

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- (d) use for the recovery of gas so stored;
 - (e) use for the conveyance of things by means of a pipe;
 - (f) use mainly for the provision of accommodation for persons who work on or from a structure which is, is to be, or has been, put to a use specified in any of paragraphs (a) to (e) while—
 - (i) standing in any waters,
 - (ii) stationed (by whatever means) in any waters, or
 - (iii) standing on the foreshore or other land intermittently covered with water.
- (3) But a structure is not an offshore installation if—
- (a) it has ceased permanently to be put to a use specified in subsection (2),
 - (b) it is not, and is not to be, put to any other use specified in subsection (2), and
 - (c) since ceasing permanently to be put to a use specified in subsection (2) it has been put to a use which is not so specified.
- (4) In this section “structure” includes a ship or other vessel.
- (5) The Treasury may make provision by regulations as to the meaning of “offshore installation” for the purposes of the [^{F114}Corporation Tax Acts].
- (6) The regulations may—
- (a) add to, amend or repeal subsections (1) to (4) or any provision of those subsections;
 - (b) make different provision for different purposes;
 - (c) include incidental, consequential, supplemental, saving or transitional provisions.]

Textual Amendments

F113 S. 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

F114 Words in s. 837C(1)(5) 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. 221 (with Sch. 2)

838 Subsidiaries.

- ^{M12}(1) For the purposes of the [^{F115}Corporation Tax Acts] a body corporate shall be deemed to be—
- (a) a “51 per cent. subsidiary” of another body corporate if and so long as more than 50 per cent. of its ordinary share capital is owned directly or indirectly by that other body corporate;
 - (b) a “75 per cent. subsidiary” of another body corporate if and so long as not less than 75 per cent. of its ordinary share capital is owned directly or indirectly by that other body corporate;
 - (c) a “90 per cent. subsidiary” of another body corporate if and so long as not less than 90 per cent. of its ordinary share capital is owned directly by that other body corporate.
- (2) In subsection (1)(a) and (b) above “owned directly or indirectly” by a body corporate means owned, whether directly or through another body corporate or other bodies

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- corporate or partly directly and partly through another body corporate or other bodies corporate.
- (3) In this section references to ownership shall be construed as references to beneficial ownership.
- (4) For the purposes of this section the amount of ordinary share capital of one body corporate owned by a second body corporate through another body corporate or other bodies corporate, or partly directly and partly through another body corporate or other bodies corporate, shall be determined in accordance with the following provisions of this section.
- (5) Where, in the case of a number of bodies corporate, the first directly owns ordinary share capital of the second and the second directly owns ordinary share capital of the third, then for the purposes of this section, the first shall be deemed to own ordinary share capital of the third through the second, and, if the third directly owns ordinary share capital of a fourth, the first shall be deemed to own ordinary share capital of the fourth through the second and third, and the second shall be deemed to own ordinary share capital of the fourth through the third and so on.
- (6) In this section—
- (a) any number of bodies corporate of which the first directly owns ordinary share capital of the next and the next directly owns ordinary share capital of the next but one, and so on, and, if they are more than three, any three or more of them, are referred to as “a series”;
 - (b) in any series—
 - (i) that body corporate which owns ordinary share capital of another through the remainder is referred to as the “first owner”;
 - (ii) that other body corporate the ordinary share capital of which is so owned is referred to as “the last owned body corporate”;
 - (iii) the remainder, if one only, is referred to as “an intermediary” and, if more than one, are referred to as “a chain of intermediaries”;
 - (c) a body corporate in a series which directly owns ordinary share capital of another body corporate in the series is referred to as “an owner”; and
 - (d) any two bodies corporate in a series of which one owns ordinary share capital of the other directly, and not through one or more of the other bodies corporate in the series, are referred to as being directly related to one another.
- (7) Where every owner in a series owns the whole of the ordinary share capital of the body corporate to which it is directly related, the first owner shall be deemed to own through the intermediary or chain of intermediaries the whole of the ordinary share capital of the last owned body corporate.
- (8) Where one of the owners in a series owns a fraction of the ordinary share capital of the body corporate to which it is directly related, and every other owner in the series owns the whole of the ordinary share capital of the body corporate to which it is directly related, the first owner shall be deemed to own that fraction of the ordinary share capital of the last owned body corporate through the intermediary or chain of intermediaries.
- (9) Where—
- (a) each of two or more of the owners in a series owns a fraction, and every other owner in the series owns the whole, of the ordinary share capital of the body corporate to which it is directly related; or

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(b) every owner in a series owns a fraction of the ordinary share capital of the body corporate to which it is directly related;

the first owner shall be deemed to own through the intermediary or chain of intermediaries such fraction of the ordinary share capital of the last owned body corporate as results from the multiplication of those fractions.

(10) Where the first owner in any series owns a fraction of the ordinary share capital of the last owned body corporate in that series through the intermediary or chain of intermediaries in that series, and also owns another fraction or other fractions of the ordinary share capital of the last owned body corporate, either—

- (a) directly, or
- (b) through an intermediary or intermediaries which is not a member or are not members of that series, or
- (c) through a chain or chains of intermediaries of which one or some or all are not members of that series, or
- (d) in a case where the series consists of more than three bodies corporate, through an intermediary or intermediaries which is a member or are members of the series, or through a chain or chains of intermediaries consisting of some but not all of the bodies corporate of which the chain of intermediaries in the series consists;

then, for the purpose of ascertaining the amount of the ordinary share capital of the last owned body corporate owned by the first owner, all those fractions shall be aggregated and the first owner shall be deemed to own the sum of those fractions.

Textual Amendments

F115 Words in s. 838(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. 222](#) (with Sch. 2)

Modifications etc. (not altering text)

- C3** S. 838 applied (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. 184\(1\)\(a\)](#), 289 (with ss. 60(1), 101(1), 171, 201(3))
S. 838 applied (27.7.1993) by 1993 c. 34, [s. 189\(6\)](#)
- C4** S. 838 modified (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [Sch. 29 para. 50\(7\)](#)
- C5** S. 838 applied (1.1.2008 with effect in accordance with reg. 1(2) of the affecting S.I.) by [The Scientific Research Organisations Regulations 2007 \(S.I. 2007/3426\)](#), [regs. 1\(1\)](#), 2(3)
- C6** S. 838 applied (with effect in accordance with s. 93(2) of the affecting Act) by [Finance Act 2009 \(c. 10\)](#), [Sch. 46 para. 18\(3\)\(4\)](#)
- C7** Definition in s. 838 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. 170\(2\)\(c\)](#), 289 (with ss. 60(1), 101(1), 171, 201(3))
- C8** S. 838(2)-(10) applied (30.3.1995) by [The Electricity \(Class Exemptions from the Requirement for a Licence\) \(No. 2\) Order 1995 \(S.I. 1995/909\)](#), [art. 2\(2\)\(c\)](#)
S. 838(2)-(10) applied (1.10.2001) by [The Electricity \(Class Exemptions from the Requirement for a Licence\) Order 2001 \(S.I. 2001/3270\)](#), [art. 2\(2\)\(c\)](#)
S. 838(2)-(10) applied (with effect in accordance with Sch. 29 Pt. 14 of the affecting Act) by [Finance Act 2002 \(c. 23\)](#), [Sch. 29 para. 50\(7\)](#)
- C9** S. 838(2)-(10) applied (1.4.2009 with effect in accordance with s. 1329(1) of the affecting Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [s. 768\(9\)](#) (with Sch. 2 Pts. 1, 2)
- C10** S. 838(4)-(10) applied (27.7.1993) by 1993 c. 37, s. 12, [Sch. 2](#), Pt. I para. 31(11)

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Marginal Citations

M12 Source—1970 s.532.

839 Connected persons.

^{M13}(1) For the purposes of, and subject to, the provisions of the [^{F116}Corporation Tax Acts] which apply this section, any question whether a person is connected with another shall be determined in accordance with the following provisions of this section (any provision that one person is connected with another being taken to mean that they are connected with one another).

(2) A person is connected with an individual if that person is the individual's [^{F117}spouse or civil partner], or is a relative, or the [^{F117}spouse or civil partner] of a relative, of the individual or of the individual's [^{F117}spouse or civil partner].

[^{F118}(3) A person, in his capacity as trustee of a settlement, is connected with—

- (a) any individual who in relation to the settlement is a settlor,
- (b) any person who is connected with such an individual, ^{F119} . . .
- (c) any body corporate which is connected with that settlement,

[^{F120}(d) if the settlement is the principal settlement in relation to one or more sub-fund settlements, the trustees of the sub-fund settlements, and

- (e) if the settlement is a sub-fund settlement in relation to a principal settlement, the trustees of any other sub-fund settlements in relation to the principal settlement.]

(3A) For the purpose of subsection (3) above a body corporate is connected with a settlement if—

- (a) it is a close company (or only not a close company because it is not resident in the United Kingdom) and the participators include the trustees of the settlement; or
- (b) it is controlled (within the meaning of section 840) by a company falling within paragraph (a) above.]

[^{F121}(3B) For the purpose of subsection (3) above—

- (a) “settlement” has the same meaning as in section 620 of ITTOIA 2005,
- (b) “trustee”, in relation to a settlement in relation to which there would be no trustees apart from this paragraph, means any person—

- [in whom the property comprised in the settlement is for the time being
- ^{F122}(i) vested, or
- (ii) in whom the management of that property is for the time being vested,]

and

- (c) “principal settlement” and “sub-fund settlement” have the meaning given by paragraph 1 of Schedule 4ZA to the 1992 Act.]

(4) Except in relation to acquisitions or disposals of partnership assets pursuant to bona fide commercial arrangements, a person is connected with any person with whom he is in partnership, and with the [^{F117}spouse or civil partner] or relative of any individual with whom he is in partnership.

(5) A company is connected with another company—

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- (a) if the same person has control of both, or a person has control of one and persons connected with him, or he and persons connected with him, have control of the other; or
 - (b) if a group of two or more persons has control of each company, and the groups either consist of the same persons or could be regarded as consisting of the same persons by treating (in one or more cases) a member of either group as replaced by a person with whom he is connected.
- (6) A company is connected with another person if that person has control of it or if that person and persons connected with him together have control of it.
- (7) Any two or more persons acting together to secure or exercise control of a company shall be treated in relation to that company as connected with one another and with any person acting on the directions of any of them to secure or exercise control of the company.
- (8) In this section—
- “company” includes any body corporate [^{F123}(including an open-ended investment company)] or unincorporated association, but does not include a partnership, and this section shall apply in relation to any unit trust scheme as if the scheme were a company and as if the rights of the unit holders were shares in the company;
 - “control” shall be construed in accordance with section 416; and
 - “relative” means brother, sister, ancestor or lineal descendant.

In relation to any period during which section 470(2) has effect the reference above to a unit trust scheme shall be construed as a reference to a unit trust scheme within the meaning of the ^{M14}Prevention of Fraud (Investments) Act 1958 or the ^{M15}Prevention of Fraud (Investments) Act (Northern Ireland) 1940.

Textual Amendments

- F116** Words in s. 839(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. 223\(2\)](#) (with Sch. 2)
- F117** Words in s. 839(2)(4) substituted (5.12.2005) by [The Tax and Civil Partnership Regulations 2005 \(S.I. 2005/3229\)](#), [regs. 1\(1\)](#), 100
- F118** S. 839(3)(3A) substituted for s. 839(3) (with effect in accordance with s. 74(2) of the amending Act) by [Finance Act 1995 \(c. 4\)](#), [Sch. 17 para. 20](#)
- F119** Word at the end of s. 839(3)(b) repealed (6.4.2006) by [Finance Act 2006 \(c. 25\)](#), [Sch. 13 paras. 25\(a\), 27\(1\)](#), [Sch. 26 Pt. 3\(15\)](#), Note
- F120** S. 839(3)(d)(e) substituted for words in s. 839(3) (6.4.2006) by [Finance Act 2006 \(c. 25\)](#), [Sch. 13 paras. 25\(b\), 27\(1\)](#)
- F121** S. 839(3B) inserted (6.4.2006) by [Finance Act 2006 \(c. 25\)](#), [Sch. 13 paras. 25\(c\), 27\(1\)](#)
- F122** S. 839(3B)(b)(i)(ii) substituted for words in s. 839(3B)(b) (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. 223\(3\)](#) (with Sch. 2)
- F123** Words in s. 839(8) inserted (28.4.1997) by [The Open-ended Investment Companies \(Tax\) Regulations 1997 \(S.I. 1997/1154\)](#), [reg. 15](#)

Modifications etc. (not altering text)

- C11** S. 839 applied by [Finance Act 1991 \(c. 31, SIF 63:1\)](#), [ss. 104\(3\)](#), 112(7)(b)
S. 839 applied by 1983 c. 55, [Sch. 4A para. 1\(5\)](#) (as inserted (1.12.1992 for specified purposes and 1.1.1993 otherwise) by [Finance No. 2 Act 1992 \(c. 48\)](#), s. 14(2), [Sch. 3 Pt. I para. 62](#); [S.I. 1992/2979](#), [art. 4](#), [Sch. Pt. II](#); [S.I. 1992/3261](#), [art. 3](#), Sch.)

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- S. 839 applied (27.7.1993) by 1993 c. 34, **s. 193(6)**
- C12** S. 839 applied (with effect in accordance with s. 127(19) of the affecting Act) by Finance Act 1995 (c. 4), **s. 127(17)**
- C13** S. 839 applied (29.4.1996) by Finance Act 1996 (c. 8), **Sch. 9 para. 15(7)**
S. 839 applied (with effect in accordance with s. 105(1), Sch. 13 para. 8(1) of the affecting Act) by Finance Act 1996 (c. 8), **Sch. 13 para. 8(3)** (with Sch. 13 para. 6)
- C14** S. 839 applied by Finance Act 1986 (c. 8), **s. 80B(1)** (as inserted by Finance Act 1997 (c. 16), **s. 97(1)(4)(6)**; S.I. 1997/2428, art. 2)
S. 839 applied by Finance Act 1986 (c. 8), **s. 88B(1)** (as inserted by Finance Act 1997 (c. 16), **s. 102(1)(4)(6)**; S.I. 1997/2428, art. 2)
- C15** S. 839 applied by Finance Act 1994 (c. 9), **Sch. 6A para. 1(2)** (as inserted by Finance Act 1997 (c. 16), ss. 22(3), 24, **Sch. 4**)
- C16** S. 839 applied by Value Added Tax Act 1994 (c. 23), **Sch. 9 Group 2 Note (6)** (as substituted by Finance Act 1997 (c. 16), **s. 38**)
S. 839 applied by Value Added Tax Act 1994 (c. 23), **Sch. 10 para. 3A(14)** (as inserted by Finance Act 1997 (c. 16), **s. 37(3)-(6)**)
- C17** S. 839 applied (19.3.1997) by Finance Act 1997 (c. 16), **Sch. 12 para. 25(2)**
- C18** S. 839 applied (with effect in accordance with s. 48(11) of the affecting Act) by Finance (No. 2) Act 1997 (c. 58), **s. 48(10)**
- C19** S. 839 applied (31.7.1998) by Finance Act 1998 (c. 36), **s. 47(10)**
S. 839 applied (31.7.1998) by Finance Act 1998 (c. 36), **Sch. 11 para. 3(4)**
- C20** S. 839 applied (27.7.1999) by Finance Act 1999 (c. 16), **s. 97(2)(a)**
- C21** S. 839 applied (28.3.2000) by Finance Act 2000 (c. 17), **s. 119(9)(13)**
S. 839 applied (with effect in accordance with s. 62 of the affecting Act) by Finance Act 2000 (c. 17), **Sch. 14 para. 71(2)**
S. 839 applied (with effect in accordance with s. 63(4) of the affecting Act) by Finance Act 2000 (c. 17), **Sch. 15 para. 102(3)**
S. 839 applied (with effect in accordance with s. 69(1) of the affecting Act) by Finance Act 2000 (c. 17), **Sch. 20 para. 25(2)** (with Sch. 20 para. 26)
- C22** S. 839 applied (with effect in accordance with s. 579 of the affecting Act) by Capital Allowances Act 2001 (c. 2), **s. 575(1)** (with s. 575(2))
- C23** S. 839 applied (with effect in accordance with s. 70(1) of the affecting Act) by Finance Act 2001 (c. 9), **Sch. 22 para. 31(4)** (with Sch. 22 para. 32)
- C24** S. 839 applied (1.4.2002) by The Aggregates Levy (General) Regulations 2002 (S.I. 2002/761), **reg. 12(2)**
- C25** S. 839 applied (1.6.2002) by The Beer Regulations 1993 (S.I. 1993/1228), **Sch. 1** (as amended by The Beer and Excise Warehousing (Amendment) Regulations 2002 (S.I. 2002/1265), **reg. 2(5)(b)**)
- C26** S. 839 applied (with effect in accordance with s. 55(7) of the affecting Act) by Finance Act 2002 (c. 23), **s. 55(5)**
S. 839 applied by Finance Act 1996 (c. 8), **Sch. 13 para. 9A(5)** (as inserted (with effect in accordance with **s. 104(5)** of the amending Act) by Finance Act 2002 (c. 23), s. 104(3))
S. 839 applied by Alcoholic Liquor Duties Act 1979 (c. 4), **s. 36B(8)** (as inserted (1.6.2002) Finance Act 2002 (c. 23), s. 4(1)(2), **Sch. 1 para. 2**)
S. 839 applied (with effect in accordance with s. 53(1) of the affecting Act) by Finance Act 2002 (c. 23), **Sch. 12 para. 19(2)** (with Sch. 12 para. 20)
S. 839 applied (with effect in accordance with Sch. 13 para. 28 of the affecting Act) by Finance Act 2002 (c. 23), **Sch. 13 para. 27(2)**
S. 839 applied (with effect in accordance with Sch. 37 para. 2(5) of the affecting Act) by Finance Act 2002 (c. 23), **Sch. 37 para. 2(4)(b)**
- C27** S. 839 applied by The Social Security (Contributions) Regulations 2001 (S.I. 2001/1004), **Sch. 4 para. 4A(3)** (as inserted (28.11.2002) by The Social Security (Contributions)(Amendment No. 5) Regulations 2002 (S.I. 2002/2929), reg. 5)

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- C28** S. 839 applied (23.1.2003 with effect in accordance with s. 57(4)(a) of the affecting Act) by Finance Act 2002 (c. 23), s. 57(3), **Sch. 16 para. 51(3)**; S.I. 2003/88, **art. 2**
- C29** S. 839 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), s. 718 (with Sch. 7)
- C30** S. 839 applied (10.7.2003 with effect in accordance with Sch. 19 of the affecting Act) by Finance Act 2003 (c. 14), ss. 45(6), 53(2), 58(5), 108(1), Sch. 4 paras. 1(2), 10(4), **12(2)**; S.I. 2003/2899, **art. 2**
- C31** S. 839 applied (10.7.2003) by Finance Act 2003 (c. 14), **Sch. 26 para. 7(3)**
- C32** S. 839 applied by Finance Act 2003 (c. 14), **Sch. 6A para. 10** (as inserted (1.12.2003) by The Stamp Duty and Stamp Duty Land Tax (Variation of the Finance Act 2003) (No. 2) Regulations 2003 (S.I. 2003/2816), reg. 1, **Sch. para. 3(2)** (replacing S.I. 2003/2760, reg. 1, **Sch. para. 3(2)**); and S.I. 2003/2816 is revoked and replaced by Finance Act 2004 (c. 12), Sch. 39 paras. 14, 17(2), **26**
- C33** S. 839 applied by The Value Added Tax Regulations 1995 (S.I. 1995/2518), **reg. 171(7)(8)** (as inserted (11.12.2003) by The Value Added Tax (Amendment) (No. 6) Regulations 2003 (S.I. 2003/3220), **regs. 1(1)(b)**, **23**)
- C34** S. 839 applied (22.7.2004) by Finance Act 2004 (c. 12), s. 278(4) (with Sch. 36)
- C35** S. 839 applied (with modifications) (with effect in accordance with s. 84(2) of the affecting Act) by Finance Act 2004 (c. 12), **Sch. 15 para. 2**
- C36** S. 839 applied by Finance Act 2003 (c. 14), s. 45A(10) (as inserted (with effect in accordance with Sch. 39 para. 13(2) of the amending Act) by Finance Act 2004 (c. 12), **Sch. 39 para. 5(5)**)
- C37** S. 839 applied by Finance Act 2003 (c. 14), s. 44(11) (as inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by Finance Act 2004 (c. 12), **Sch. 39 para. 15(4)**)
- C38** S. 839 applied by Finance Act 2003 (c. 14), **Sch. 6A para. 10** (as inserted (with effect in accordance with Sch. 39 para. 26 of the amending Act) by Finance Act 2004 (c. 12), **Sch. 39 para. 17(2)**)
- C39** S. 839 applied (with modifications) by Finance Act 2003 (c. 14), **Sch. 15 para. 39** (as substituted (with effect in accordance with Sch. 41 para. 3 of the amending Act) by Finance Act 2004 (c. 12), **Sch. 41 para. 1**)
- C40** S. 839 applied (1.8.2004) by The Tax Avoidance Schemes (Prescribed Descriptions of Arrangements) Regulations 2004 (S.I. 2004/1863), **reg. 1(1)(3)**
- C41** S. 839 applied (1.8.2004) by The Tax Avoidance Schemes (Promoters and Prescribed Circumstances) Regulations 2004 (S.I. 2004/1865), **reg. 1(1)(3)**
- C42** S. 839 applied (24.3.2005) by Income Tax (Trading and Other Income) Act 2005 (c. 5), ss. 878(5), 883(3)(b)
- C43** S. 839 applied (with modifications) (7.4.2005) by Finance Act 2005 (c. 7), s. 83(9)
- C44** S. 839 applied (20.7.2005) by Finance (No. 2) Act 2005 (c. 22), ss. 17(4)(n), 31(3), **Sch. 3 para. 12**
- C45** S. 839 applied by Finance Act 1996 (c. 8), s. 91D(12) (as inserted (with effect in accordance with Sch. 7 para. 10(7) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), **Sch. 7 para. 10(4)**)
- C46** S. 839 applied by Finance Act 2003 (c. 14), **Sch. 17A para. 18A(6)** (as inserted (with effect in accordance with Sch. 10 para. 16(5)-(9) of the amending Act) by Finance (No. 2) Act 2005 (c. 22), **Sch. 10 para. 14**)
- C47** S. 839 applied (6.4.2006) by Finance Act 2004 (c. 12), ss. 161(8), 273(11), 284(1) (with Sch. 36)
- C48** S. 839 applied by Finance Act 2004 (c. 12), s. 266A(7) (as inserted (6.4.2006) by Finance Act 2005 (c. 7), Sch. 10 paras. 4, **64(1)**)
- C49** S. 839 applied by Finance Act 2004 (c. 12), s. 162(6) (as inserted (6.4.2006) by Finance Act 2005 (c. 7), Sch. 10 paras. 6(4), **64(1)**)
- C50** S. 839 applied by Finance Act 2004 (c. 12), ss. 172A(11), 172B(9), 172C(7), 172D(6) (as inserted (6.4.2006) by Finance Act 2005 (c. 7), Sch. 10 paras. 38, **64(1)**)
- C51** S. 839 applied by Finance Act 2004 (c. 12), **Sch. 36 para. 11D(5)** (as inserted (6.4.2006) by Finance Act 2006 (c. 25), s. 161(2), **Sch. 23 para. 38**)
- C52** S. 839 applied (6.4.2006) by The Pension Schemes (Reduction in Pension Rates) Regulations 2006 (S.I. 2006/138), **regs. 1(1)**, **2(3)**
- C53** S. 839 applied (6.4.2006) by The Registered Pension Schemes (Provision of Information) Regulations 2006 (S.I. 2006/567), **regs. 1**, **2(2)**

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- C54** S. 839 applied by The Authorised Investment Funds Regulations 2006 (S.I. 2006/964), **reg. 52A(7)** (as inserted (7.12.2006) by The Authorised Investment Funds (Tax) (Amendment) Regulations 2006 (S.I. 2006/3239), **regs. 1, 2**)
- C55** S. 839 applied (14.12.2006 with effect in accordance with reg. 1(2) of the affecting S.I.) by The Oil Taxation (Market Value of Oil) Regulations 2006 (S.I. 2006/3313), **regs. 1(1), 8(4)**
- C56** S. 839 applied (1.1.2007) by Finance Act 2006 (c. 25), **ss. 34(4), 53(1)**; S.I. 2006/3399, **art. 2**
- C57** S. 839 applied (with modifications) (28.12.2007 with effect in accordance with reg. 1 of the affecting S.I.) by The Taxation of Insurance Securitisation Companies Regulations 2007 (S.I. 2007/3402), **reg. 2(2)**
- C58** S. 839 applied (1.1.2008 with effect in accordance with reg. 1(2) of the affecting S.I.) by The Scientific Research Organisations Regulations 2007 (S.I. 2007/3426), **regs. 1(1), 14(4)**
- C59** S. 839 applied by The Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/964), **reg. 69J(10)(b)** (as inserted (6.4.2008) by The Authorised Investment Funds (Tax) (Amendment) Regulations 2008 (S.I. 2008/705), **regs. 1, 5**)
- C60** S. 839 applied by Oil Taxation Act 1975 (c. 22), **Sch. 5 para. 2B(2)** (as substituted (with effect in accordance with **s. 103(2)** of the amending Act) by Finance Act 2008 (c. 9), s. 103(1))
- C61** S. 839 applied by Finance Act 1996 (c. 8), **Sch. 9 para. 12(2E)** (as inserted (with effect in accordance with Sch. 22 para. 5(3) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 22 para. 5(1)**)
- C62** S. 839 applied by Finance Act 2002 (c. 23), **Sch. 26 para. 28(3ZC)** (as inserted (with effect in accordance with Sch. 22 para. 5(3) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 22 para. 5(2)**)
- C63** S. 839 applied by Finance Act 1996 (c. 8), **ss. 91H(5), 91I(6)** (as inserted (with effect in accordance with Sch. 22 para. 17(3) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 22 para. 17(1)**)
- C64** S. 839 applied by Finance Act 1996 (c. 8), **s. 94B(10)** (as inserted (with effect in accordance with Sch. 22 para. 18(3) of the amending Act) by Finance Act 2008 (c. 9), **Sch. 22 para. 18(1)**)
- C65** S. 839 applied (22.7.2008) by Crossrail Act 2008 (c. 18), **Sch. 13 para. 34(7)**
- C66** S. 839 applied by The Authorised Investment Funds (Tax) Regulations 2006 (S.I. 2006/964), **reg. 14C(10)(b)** (as inserted (1.1.2009 with effect in accordance with reg. 1(2) of the amending S.I.) by The Authorised Investment Funds (Tax) (Amendment No. 3) Regulations 2008 (S.I. 2008/3159), **regs. 1(1), 11**)
- C67** S. 839 applied (1.4.2009 with effect in accordance with s. 1329(1) of the affecting Act) by Corporation Tax Act 2009 (c. 4), **s. 1316(1)** (with Sch. 2 Pts. 1, 2)
- C68** S. 839 applied by Betting and Gaming Duties Act 1981 (c. 63), **s. 21(7)** (as inserted (1.6.2009) by Finance Act 2009 (c. 10), **s. 22(6)(12)**)
- C69** S. 839 applied by Finance Act 2003 (c. 14), Sch. 9 paras. 5(2B), **7(9)** (as inserted (with effect in accordance with **s. 81(8)** of the amending Act) by Finance Act 2009 (c. 10), s. 81(6)(b)(7)(b))
- C70** S. 839 applied (with effect in accordance with Sch. 3 para. 11 of the affecting Act) by Finance Act 2009 (c. 10), **Sch. 3 para. 8**
- C71** S. 839 applied (1.12.2009 with effect in accordance with reg. 1(2) of the affecting S.I.) by The Offshore Funds (Tax) Regulations 2009 (S.I. 2009/3001), **regs. 1(1), 76(3)(b), 82(3)(b)** (with regs. 119, 122, Sch. 1)
- C72** S. 839(2)-(8) applied (E.W.S.) (16.1.1992) by S.I. 1992/58, art. 8(9)(b), **Sch. 1 para. 3**
- C73** S. 839(2) applied (6.4.2006) by The Registered Pension Schemes (Authorised Surplus Payments) Regulations 2006 (S.I. 2006/574), **regs. 1, 2(5)**

Marginal Citations

- M13** Source—1970 s.533.
- M14** 1958 c. 45.
- M15** 1940 c. 9 (N.I.)

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840 Meaning of “control” in certain contexts.

^{M16}For the purposes of, and subject to, the provisions of the [^{F124}Corporation Tax Acts] which apply this section, “control”, in relation to a body corporate, means the power of a person to secure—

- (a) by means of the holding of shares or the possession of voting power in or in relation to that or any other body corporate; or
- (b) by virtue of any powers conferred by the articles of association or other document regulating that or any other body corporate,

that the affairs of the first-mentioned body corporate are conducted in accordance with the wishes of that person, and, in relation to a partnership, means the right to a share of more than one-half of the assets, or of more than one-half of the income, of the partnership.

Textual Amendments

F124 Words in s. 840 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. 224](#) (with Sch. 2)

Modifications etc. (not altering text)

- C74** S. 840 applied by [Finance Act 1988 \(c. 39\)](#), [s. 87\(3\)](#)
S. 840 applied by [Finance Act 1989 \(c. 26\)](#), [s. 67\(3\)](#)
S. 840 applied by [Capital Allowances Act 1990 \(c. 1\)](#), [s.77\(6\)](#)
S. 840 applied (1.5.1995) by [Finance Act 1995 \(c. 4\)](#), [Sch. 22 para. 17\(6\)\(a\)\(ii\)](#)
S. 840 applied (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), [Sch. 9 para. 8\(9\)](#)
S. 840 applied (1.2.2001) by [Trustee Act 2000 \(c. 29\)](#), [ss. 19\(3\)](#), 42(2); S.I. 2001/49, [art. 2](#)
S. 840 applied (29.7.2002) by [Trustee Act \(Northern Ireland\) 2001 \(c. 14\)](#), [ss. 19\(3\)](#), 45(1); S.R. 2002/253, [art. 2](#)
S. 840 applied by [Taxation of Chargeable Gains Act 1992 \(c. 12\)](#), [Sch. 5AA para. 4\(3\)](#) (as inserted (with effect in accordance with Sch. 9 para. 7 of the amending Act) by [Finance Act 2002 \(c. 23\)](#), [Sch. 9 para. 3](#))
- C75** S. 840 applied (23.1.2003 with effect in accordance with s. 57(4)(a) of the affecting Act) by [Finance Act 2002 \(c. 23\)](#), [s. 57\(3\)](#), [Sch. 16 para. 14\(3\)](#); S.I. 2003/88, [art. 2](#)
- C76** S. 840 applied and extended (6.4.2003 with effect in accordance with s. 723(1) of the affecting Act) by [Income Tax \(Earnings and Pensions\) Act 2003 \(c. 1\)](#), [ss. 69](#), 719 (with Sch. 7)
- C77** S. 840 applied (with effect in accordance with s. 77 of the affecting Act) by [Finance Act 2004 \(c. 12\)](#), [s. 65\(3\)](#)
- C78** S. 840 applied (24.3.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), [ss. 878\(6\)](#), 883(3)(b)
- C79** S. 840 applied by [Finance Act 2003 \(c. 14\)](#), [s. 73AB\(4\)](#) (as inserted (with effect in accordance with [s. 155\(4\)](#) of the amending Act) by [Finance Act 2008 \(c. 9\)](#), [s. 155\(3\)](#))
- C80** S. 840 applied (1.4.2009 with effect in accordance with s. 1329(1) of the affecting Act) by [Corporation Tax Act 2009 \(c. 4\)](#), [s. 1316\(2\)](#) (with Sch. 2 Pts. 1, 2)

Marginal Citations

M16 Source—1970 s.534

[^{F125}840Z] Meaning of “tax advantage”

- (1) In any provision of the Corporation Tax Acts in relation to which it is provided that “tax advantage” has the meaning given by this section, “tax advantage” means—

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- (a) a relief from tax or increased relief from tax,
 - (b) a repayment of tax or increased repayment of tax,
 - (c) the avoidance or reduction of a charge to tax or an assessment to tax, or
 - (d) the avoidance of a possible assessment to tax.
- (2) For the purposes of subsection (1)(c) and (d) it does not matter whether the avoidance or reduction is effected—
- (a) by receipts accruing in such a way that the recipient does not pay or bear tax on them, or
 - (b) by a deduction in calculating profits or gains.
- (3) In this section “relief from tax” includes—
- (a) a tax credit under section 231 for the purposes of corporation tax, and
 - (b) a tax credit under section 397(1) of ITTOIA 2005 for the purposes of income tax.]

Textual Amendments

F125 S. 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)

[^{F126}840A]Banks.

- (1) In any provision [^{F127}of the Corporation Tax Acts] in relation to which it is provided that “bank” has the meaning given by this section “bank” means—
- (a) the Bank of England;
 - [^{F128}(b) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits other than—
 - (i) a building society within the meaning of the Building Societies Act 1986,
 - [^{F129}(ii) a society registered within the meaning of the Friendly Societies Act 1974 ^{M17} or incorporated under the Friendly Societies Act 1992 ^{M18},]
 - (iii) a society registered as a credit union under the Industrial and Provident Societies Act 1965 ^{M19} or the Credit Unions (Northern Ireland) Order 1985 ^{M20}, or
 - (iv) an insurance company within the meaning of section [^{F130} 275 of the Finance Act 2004;]
 - (c) an EEA firm of the kind mentioned in paragraph 5(b) of Schedule 3 to the Financial Services and Markets Act 2000 which has permission under paragraph 15 of that Schedule (as a result of qualifying for authorisation under paragraph 12(1) of that Schedule) to accept deposits;] or
 - [^{F131}(ca) the European Investment Bank; or]
 - (d) a relevant international organisation which is designated as a bank for the purposes of that provision by an order made by the Treasury.
- (2) ^{F132}
- (3) For the purposes of subsection (1) above, a relevant international organisation is an international organisation of which the United Kingdom is a member.]

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Textual Amendments

- F126** S. 840A inserted (29.4.1996) by [Finance Act 1996 \(c. 8\)](#), [Sch. 37 para. 1\(1\)](#)
- F127** Words in s. 840A(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. 226\(a\)](#) (with [Sch. 2](#))
- F128** S. 840A(1)(b)(c) substituted (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. 46\(2\)](#)
- F129** S. 840A(1)(b)(ii) substituted (2.7.2002) by [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2002 \(S.I. 2002/1409\)](#), [art. 2\(2\)](#)
- F130** Words in s. 840A(1)(b)(iv) substituted (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), s. 284(1), [Sch. 35 para. 36](#) (with [Sch. 36](#))
- F131** S. 840A(1)(ca) 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. 226\(b\)](#) (with [Sch. 2](#))
- F132** S. 840A(2) omitted (1.12.2001 in accordance with art. 1(2)(a) of the amending S.I.) by virtue of [The Financial Services and Markets Act 2000 \(Consequential Amendments\) \(Taxes\) Order 2001 \(S.I. 2001/3629\)](#), [art. 46\(3\)](#)

Marginal Citations

- M17** 1974 c. 46.
- M18** 1992 c. 40.
- M19** 1965 c. 12.
- M20** S.I. 1985/1205 (N.I. 12).

[^{F133}841 Meaning of “recognised stock exchange” etc

- (1) In the Corporation Tax Acts “recognised stock exchange” has the same meaning as in the Income Tax Acts (see subsections (1) and (2) of section 1005 of ITA 2007).
- (2) References in the Corporation Tax Acts to securities which are listed on a recognised stock exchange are to be read in accordance with subsections (3) and (4) of that section.
- (3) References in the Corporation Tax Acts to securities which are included in the official UK list are to be read in accordance with subsection (5) of that section.
- (4) In this section “securities” includes shares and stock.]

Textual Amendments

- F133** S. 841 substituted (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), [Sch. 26 para. 2](#)

[^{F134}841A Recognised clearing systems.

^{F135}]

Textual Amendments

- F134** S. 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](#))
- F135** S. 841A repealed (28.7.2000) by [Finance Act 2000 \(c. 17\)](#), [Sch. 40 Pt. 2\(17\)](#)

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842 Investment trusts.

^{M21}(1) In the [^{F136}Corporation Tax Acts]“investment trust” means, as respects any accounting period, a company which is not a close company and which is approved for the purposes of this section for that accounting period by the Board, and the Board shall not approve any company unless it is shown to their satisfaction—

- [^{F137}(aa) that the company is resident in the United Kingdom; and]
 - (a) that the company’s income [^{F138}(as determined in accordance with subsection (1AB) below)] [^{F139}is derived wholly or mainly from shares or securities] [^{F140}(as so determined)]; and
 - (b) subject to subsection (2) below, that no holding in a company, other than an investment trust or a company which would qualify as an investment trust but for paragraph (c) below, represents more than 15 per cent. by value of the investing company’s investments; and
- [^{F141}(c) that the shares making up the company’s ordinary share capital (or, if there are such shares of more than one class, those of each class) are [^{F142}included in the official UK list]; and]
 - (d) that the distribution as dividend of surpluses arising from the realisation of investments is prohibited by the company’s memorandum or articles of association; and
 - (e) that the company does not retain in respect of any accounting period [^{F143}an amount which is greater than] 15 per cent. of [^{F144}the income it derives from shares or securities] [^{F145}(determined in accordance with subsection (1AB) below)].

[^{F146}(1AA) ^{F147}.....]

[^{F148}(1AB) In determining for the purposes of paragraph (a) or (e) of subsection (1) above (and accordingly of subsection (2A)(b) below)—

- (a) the amount of a company’s income, or
 - (b) the amount of income which a company derives from shares or securities,
- the amounts to be brought into account under [^{F149}Part 5 of CTA 2009] in respect of the company’s loan relationships shall be determined without reference to any debtor relationships of the company.]

[^{F150}(1AC) In determining the amount of a company’s income for the purposes of subsection (1) (a) above, no account shall be taken of any amount that [^{F151}is charged to corporation tax under section 1229(3)(b) of CTA 2009 (claw back of relief for expenses of management)].]

[^{F152}(1A) For the purposes of paragraph (b) of subsection (1) above and the other provisions of this section having effect in relation to that paragraph—

- (a) holdings in companies which are members of a group (whether or not including the investing company) and are not excluded from that paragraph shall be treated as holdings in a single company; and
- (b) where the investing company is a member of a group, money owed to it by another member of the group shall be treated as a security of the latter held by the investing company and accordingly as, or as part of, the holding of the investing company in the company owing the money;

and for the purposes of this subsection “group” means a company and all companies which are its 51 per cent. subsidiaries]

(2) Subsection (1)(b) above shall not apply—

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- (a) to a holding in a company acquired before 6th April 1965 which on that date represented not more than 25 per cent. by value of the investing company's investments; or
- (b) to a holding in a company which, when it was acquired, represented not more than 15 per cent. by value of the investing company's investments;

so long as no addition is made to the holding.

[^{F153}(2A) Subsection (1)(e) above shall not apply as regards an accounting period if—

- (a) the company is required to retain income in respect of the period by virtue of a restriction imposed by law, and
- (b) the amount of income the company is so required to retain in respect of the period exceeds an amount equal to 15 per cent. of the income the company derives from shares and securities.

(2B) Subsection (2A) above shall not apply where—

- (a) the amount of income the company retains in respect of the accounting period exceeds the amount of income it is required by virtue of a restriction imposed by law to retain in respect of the period, and
- (b) the amount of the excess or, where the company distributes income in respect of the period, that amount together with the amount of income which the company so distributes is at least £10,000 or, where the period is less than 12 months, a proportionately reduced amount.

(2C) Paragraph (e) of subsection (1) above shall not apply as regards an accounting period if the amount which the company would be required to distribute in order to fall within that paragraph is less than £10,000 or, where the period is less than 12 months, a proportionately reduced amount.]

[^{F154}(2D) For the purpose of determining whether a company may be approved for the purposes of this section for an accounting period, the excess of any relevant credits arising in that period over any relevant debits so arising is treated for the purposes of this section as income derived from shares or securities.

(2E) In subsection (2D) “relevant credits” and “relevant debits”, in relation to an accounting period, means credits and debits which are brought into account in respect of that period by virtue of section 574 of CTA 2009 (non-trading credits and debits to be brought into account under Part 5 of that Act).]

(3) For the purposes of subsection (2) above—

- (a) “holding” means the shares or securities (whether of one class or more than one class) held in any one company; and
- (b) an addition is made to a holding whenever the investing company acquires shares or securities of that one company, otherwise than by being allotted shares or securities without becoming liable to give any consideration, and if an addition is made to a holding that holding is acquired when the addition or latest addition is made to the holding; and
- (c) where in connection with a scheme of reconstruction ^{F155} . . . , a company issues shares or securities to persons holding shares or securities in a second company in respect of and in proportion to (or as nearly as may be in proportion to) their holdings in the second company, without those persons becoming liable to give any consideration, a holding of the shares or securities in the second company and a corresponding holding of the shares or securities so issued shall be regarded as the same holding.

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[^{F156}(3A) References in this section to income do not include income treated as arising under section 761(1)(a).]

(4) In this section “company” and “shares” shall be construed in accordance with sections [^{F157}99 and 288 of [^{F158}the 1992 Act]] [^{F159}and “scheme of reconstruction” has the same meaning as in section 136 of that Act].

Textual Amendments

- F136** Words in s. 842(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. 228** (with Sch. 2)
- F137** 1988(F) s.117(1)(a) *for accounting periods ending after 5th April 1988.*
- F138** Words in s. 842(1)(a) inserted (with effect in accordance with s. 82(2) of the amending Act) by **Finance Act 2002 (c. 23), Sch. 25 para. 56(2)(a)**
- F139** Words in s. 842(1)(a) restored (as a result of the repeal of amending provision FA 1996 (c. 8), Sch. 30 para. 2(2) with effect in accordance with s. 145(2) of the repealing Act) by virtue of **Finance Act 2006 (c. 25), s. 143, Sch. 26 Pt. 4**
- F140** Words in s. 842(1)(a) inserted (with effect in accordance with s. 82(2) of the amending Act) by **Finance Act 2002 (c. 23), Sch. 25 para. 56(2)(b)**
- F141** 1988(F) s.117(1)(b) *for accounting periods ending after 5th April 1988. Previously* “that the shares or securities of the company are quoted on the Stock Exchange and”.
- F142** Words in s. 842(1)(c) substituted (19.7.2007) by **Finance Act 2007 (c. 11), Sch. 26 para. 7(9)**
- F143** Words in s. 842(1)(e) substituted (with effect in accordance with s. 82(2) of the amending Act) by **Finance Act 2002 (c. 23), Sch. 25 para. 56(3)(a)**
- F144** Words in s. 842(1)(e) restored (as a result of the repeal of amending provision FA 1996 (c. 8), Sch. 30 para. 2(2) with effect in accordance with s. 145(2) of the repealing Act) by virtue of **Finance Act 2006 (c. 25), s. 143, Sch. 26 Pt. 4**
- F145** Words in s. 842(1)(e) inserted (with effect in accordance with s. 82(2) of the amending Act) by **Finance Act 2002 (c. 23), Sch. 25 para. 56(3)(b)**
- F146** S. 842(1AA) inserted (with effect in accordance with Sch. 30 para. 3 of the amending Act) by **Finance Act 1996 (c. 8), Sch. 30 para. 2(3)**
- F147** S. 842(1AA) repealed (with effect in accordance with s. 145(2) of the repealing Act) by **Finance Act 2006 (c. 25), s. 143(c), Sch. 26 Pt. 4**
- F148** S. 842(1AB) inserted (with effect in accordance with s. 82(2) of the amending Act) by **Finance Act 2002 (c. 23), Sch. 25 para. 56(4)**
- F149** Words in s. 842(1AB) 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. 277(2)** (with Sch. 2 Pts. 1, 2)
- F150** S. 842(1AC) inserted (22.7.2004) by **Finance Act 2004 (c. 12), s. 45(4)**
- F151** Words in s. 842(1AC) 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. 277(3)** (with Sch. 2 Pts. 1, 2)
- F152** 1988(F) s.117(1)(c) *for accounting periods ending after 5th April 1988.*
- F153** 1990 s.55 *in relation to accounting periods ending on or after 26 July 1990.*
- F154** S. 842(2D)(2E) 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. 277(4)** (with Sch. 2 Pts. 1, 2)
- F155** Words in s. 842(3)(c) repealed (with effect in accordance with Sch. 9 paras. 7, 8 of the repealing Act) by **Finance Act 2002 (c. 23), Sch. 40 Pt. 3(2)**, Note
- F156** S. 842(3A) inserted (with effect in accordance with s. 57(7) of the amending Act) by **Finance Act 2007 (c. 11), s. 57(3)**
- F157** Words in s. 842(4) 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(55)** (with ss. 60, 101(1), 171, 201(3))
- F158** Words in s. 842(4) substituted (retrospectively) by **Finance Act 1994 (c. 9), Sch. 17 para. 8**

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F159 Words in s. 842(4) added (with effect in accordance with Sch. 9 paras. 7, 8(4) of the amending Act) by Finance Act 2002 (c. 23), **Sch. 9 para. 4(7)**

Modifications etc. (not altering text)

C81 S. 842(1A)(a) excluded (27.7.1999) by Commonwealth Development Corporation Act 1999 (c. 20), **Sch. 2 para. 12(2)**

Marginal Citations

M21 Source—1970 s.359; 1973 s.54; 1979(C) Sch.7.

[^{F160}**842AA** **Venture capital trusts.**

^{F161}]

Textual Amendments

F160 S. 842AA inserted (1.5.1995) by Finance Act 1995 (c. 4), **s. 70(1)**

F161 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)

[^{F162}**842AL** **Local authorities.**

(1) Except so far as the context otherwise requires, in the [^{F163}Corporation Tax Acts]“local authority” means—

- (a) in relation to England and Wales, an authority of a description specified for the purposes of this paragraph [^{F164F165} . . .].
- (b) in relation to Scotland, an authority of a description specified for the purposes of this paragraph [^{F166F165} . . .], and
- (c) in relation to Northern Ireland, an authority of a description specified for the purposes of this paragraph [^{F167F165} . . .].

(2) The following are the descriptions of authority specified for the purposes of paragraph (a) of subsection (1) above—

- [^{F168}(a) a billing authority as defined in section 69 of the Local Government Finance Act 1992;
- (b) a precepting authority as defined in that section;
- (c) a body having power by virtue of regulations under section 74 of the ^{M22}Local Government Finance Act 1988 to issue a levy;]
- (d) a body having power by virtue of regulations under section 75 of that Act to issue a special levy;
- [^{F169}(e)]
- [^{F170}(f) a fire and rescue authority in Wales constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;]
- (g) an authority having power to make or determine a rate;
- [^{F171}(h) a residuary body established by order under section 22(1) of the ^{M23}Local Government Act 1992.]

(3) The following are the descriptions of authority specified for the purposes of paragraph (b) of subsection (1) above—

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- [^{F172}(a) a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994];
- (d) a joint board or committee within the meaning of the ^{M24}Local Government (Scotland) Act 1973;
- (e) an authority having power to requisition any sum from an authority [^{F173}such as is mentioned in paragraph (a) above].
- (4) The following are the descriptions of authority specified for the purposes of paragraph (c) of subsection (1) above—
- (a) an authority having power to make or determine a rate;
- (b) an authority having power to issue a precept, requisition or other demand for the payment of money to be raised out of a rate.
- (5) In this section “rate” means a rate the proceeds of which are applicable for public local purposes and which is leviable by reference to the value of land or other property.]

Textual Amendments

- F162** S. 842A inserted (1.4.1990) by [Finance Act 1990 \(c. 29\), s.127\(1\)\(4\)](#)
- F163** Words in s. 842A(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. 230](#) (with Sch. 2)
- F164** Words in s. 842A(1)(a) inserted (1.4.1998) by [Police Act 1997 \(c. 50\), s. 135\(1\), Sch. 9 para. 53\(a\); S.I. 1998/354, art. 2\(1\)\(2\)\(bb\)](#)
- F165** Words in s. 842A(1)(a)(b)(c) repealed (1.4.2002) by [Criminal Justice and Police Act 2001 \(c. 16\), s. 138\(2\), Sch. 6 para. 71, Sch. 7 Pt. 5\(1\); S.I. 2002/344, art. 3\(k\)\(m\)](#)
- F166** Words in s. 842A(1)(b) inserted (1.4.1998) by [Police Act 1997 \(c. 50\), s. 135\(1\), Sch. 9 para. 53\(b\); S.I. 1998/354, art. 2\(1\)\(2\)\(bb\)](#)
- F167** Words in s. 842A(1)(c) inserted (1.4.1998) by [Police Act 1997 \(c. 50\), s. 135\(1\), Sch. 9 para. 53\(c\); S.I. 1998/354, art. 2\(1\)\(2\)\(bb\)](#)
- F168** S. 842A(2)(a)-(c) substituted (1.4.1993) by [Local Government Finance Act 1992 \(c. 14\), s. 117\(1\), Sch. 13 para. 57](#) (with s. 118(1)(2)(4)); S.I. 1992/2454, [art. 3\(1\)\(a\)](#)
- F169** S. 842A(2)(e) repealed (1.4.1995) by [Police and Magistrates' Courts Act 1994 \(c. 29\), s. 94\(1\), Sch. 9 Pt. 1; S.I. 1994/3262, art. 4, Sch.](#)
- F170** S. 842A(2)(f) substituted (E.W.) (1.10.2004 for E. and 10.11.2004 for W.) by [Fire and Rescue Services Act 2004 \(c. 21\), s. 61, Sch. 1 para. 64; S.I. 2004/2304, art. 2](#) (with art. 3); S.I. 2004/2917, [art. 2](#)
- F171** S. 842A(2)(h) inserted (retrospective to 29.11.1994) by [Finance Act 1995 \(c. 4\), s. 144](#)
- F172** S. 842A(3)(a) substituted (1.4.1996) for s. 842A(3)(a)-(c) by [Local Government etc. \(Scotland\) Act 1994 \(c. 39\), s. 184\(2\), Sch. 13 para. 155\(a\); S.I. 1996/323, art. 4\(1\)\(c\)](#)
- F173** Words in s. 842A(3)(e) substituted (1.4.1996) by [Local Government etc. \(Scotland\) Act 1994 \(c. 39\), s. 184\(2\), Sch. 13 para. 155\(b\); S.I. 1996/323, art. 4\(1\)\(c\)](#)

Marginal Citations

- M22** 1988 c. 41.
- M23** 1992 c. 19.
- M24** 1973 c. 65.

[^{F175}842B Meaning of ^{F174}... “property investment LLP”

(1) In [^{F176}the Corporation Tax Acts]—

- (a) ^{F177}

Status: Point in time view as at 01/04/2009.

Changes to legislation: Income and Corporation Taxes Act 1988, Cross Heading: Interpretation is up to date with all changes known to be in force on or before 14 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)

- (b) a “property investment LLP” means a limited liability partnership whose business consists wholly or mainly in the making of investments in land and the principal part of whose income is derived therefrom.
- (2) Whether a limited liability partnership is ^{F178} . . . a property investment LLP is determined for each period of account of the partnership.
^{F179}]

Textual Amendments

- F174** 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](#))
- F175** [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\(1\)](#)
- F176** Words in s. 842B(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. 231\(2\)\(a\)](#) (with [Sch. 2](#))
- F177** [S. 842B\(1\)\(a\)](#) 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. 231\(2\)\(b\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F178** Words in s. 842B(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. 231\(3\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))
- F179** Words in s. 842B(2) repealed (24.7.2002) by [Finance Act 2002 \(c. 23\)](#), [Sch. 40 Pt. 3\(16\)](#)

Status:

Point in time view as at 01/04/2009.

Changes to legislation:

Income and Corporation Taxes Act 1988, Cross Heading: Interpretation is up to date with all changes known to be in force on or before 14 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.