

Status: Point in time view as at 01/04/2010.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1989, SCHEDULE 12. (See end of Document for details)

SCHEDULES

SCHEDULE 12

Section 107.

CLOSE COMPANIES

PART I

ADMINISTRATIVE PROVISIONS

Interpretation

F1₁

Textual Amendments

- F1** Sch. 12 para. 1 repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), Sch. 1 para. 217, **Sch. 3 Pt. 1** (with Sch. 2)

Provision of information by company

F2₂

Textual Amendments

- F2** Sch. 12 para. 2 omitted (13.8.2009) by virtue of [The Finance Act 2009, Schedule 47 \(Consequential Amendments\) Order 2009 \(S.I. 2009/2035\)](#), art. 1, **Sch. para. 25**

Provision of information by shareholders

F3₃

Textual Amendments

- F3** Sch. 12 paras. 3, 4 repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), Sch. 1 para. 217, **Sch. 3 Pt. 1** (with Sch. 2)

Information about bearer securities

F3₄

Status: Point in time view as at 01/04/2010.
Changes to legislation: There are currently no known outstanding effects for the Finance Act 1989, SCHEDULE 12. (See end of Document for details)

Textual Amendments
F3 Sch. 12 paras. 3, 4 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 1 para. 217, **Sch. 3 Pt. 1** (with Sch. 2)

PART II

AMENDMENTS CONNECTED WITH REPEAL OF CHAPTER III OF PART XI OF TAXES ACT 1988

The Taxes Management Act 1970 (c.9)

F45

Textual Amendments
F4 Sch. 12 para. 5 omitted (13.8.2009) by virtue of The Finance Act 2009, Schedule 47 (Consequential Amendments) Order 2009 (S.I. 2009/2035), art. 1, **Sch. para. 60(c)**

The Capital Gains Tax Act 1979 (c.14)

F56

Textual Amendments
F5 Sch. 12 para. 6 repealed (6.3.1992 with effect as mentioned in s. 289(1)(2) of the repealing Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, **Sch.12** (with ss. 201(3), Sch. 11 paras. 22, 26(2), 27)

The Income and Corporation Taxes Act 1988 (c.1)

7 In section 13 of the Taxes Act 1988 (small companies’ rate) in subsection(9) for the words “paragraph 17 of Schedule 19” there shall besubstituted the words “paragraphs 2 to 4 of Schedule 12 to the Finance Act1989”.

F68

Textual Amendments
F6 Sch. 12 para. 8 repealed (with effect in accordance with s. 723(1)(a)(b) of the amending Act) by Income Tax (Earnings and Pensions) Act 2003 (c. 1), s. 723, **Sch. 8 Pt. 1** (with Sch. 7)

9 (1) In section 187(3) of the Taxes Act 1988 (cases in which a person has amaterial interest in a company for the purposes of sections 185 to 187 of, andSchedules 9 and 10 to, that Act) for the words from “in a company” to theend of paragraph (b) there shall be substituted—

“in a company if he, either on his own or with one or more associates,or if any associate of his with or without such other associates,—

Status: Point in time view as at 01/04/2010.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1989, SCHEDULE 12. (See end of Document for details)

- (a) is the beneficial owner of, or able, directly or through the medium of other companies, or by any other indirect means to control, more than 25 percent., or in the case of a share option scheme which is not a savings-related share option scheme more than 10 per cent., of the ordinary share capital of the company, or
- (b) where the company is a close company, possesses, or is entitled to acquire, such rights as would, in the event of the winding-up of the company or in any other circumstances, give an entitlement to receive more than 25 percent., or in the case of a share option scheme which is not a savings-related share option scheme more than 10 per cent., of the assets which would then be available for distribution among the participators.” and at the end there shall be added the words “ and “participator” has the meaning given by section 417(1) ”.

- (2) This paragraph shall have effect in relation to accounting periods beginning after 31st March 1989.
- 10 (1) In section 214 of the Taxes Act 1988 (chargeable payments connected with exempt distributions) in subsection (1)(c) for the words from “338(2)(a)” to “Schedule 19” there shall be substituted the words “and 338(2)(a)”.
- (2) This paragraph shall have effect in relation to accounting periods beginning after 31st March 1989, except in any case where section 427(4) of the Taxes Act 1988 has effect by virtue of section 103(2) of this Act.

F7 11

Textual Amendments
F7 Sch. 12 paras. 11, 12 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

F7 12

Textual Amendments
F7 Sch. 12 paras. 11, 12 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

- 13 F8(1)
- F8(2)
- F8(3)

- (4) This paragraph shall have effect in relation to accounting periods beginning after 31st March 1989.

Textual Amendments
F8 Sch. 12 para. 13(1)-(3) repealed (6.4.2007) by Income Tax Act 2007 (c. 3), s. 1034(1), **Sch. 3 Pt. 1** (with Sch. 2)

Status: Point in time view as at 01/04/2010.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1989, SCHEDULE 12. (See end of Document for details)

- 14 (1) In section 576 of the Taxes Act 1988 (which relates to relief for losses on certain unquoted shares) in subsection (5), for paragraph (a) of the definition of “trading company” there shall be substituted—
- “(a) a company whose business consists wholly or mainly of the carrying on of a trade or trades”.
- (2) This paragraph shall have effect in relation to disposals made after 31st March 1989.

F⁹15

Textual Amendments

F9 Sch. 12 para. 15 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#) (with [Sch. 36](#))

F¹⁰16

Textual Amendments

F10 Sch. 12 para. 16 repealed (6.4.2006) by [Finance Act 2004 \(c. 12\)](#), [Sch. 42 Pt. 3](#) (with [Sch. 36](#))

F¹¹17

Textual Amendments

F11 Sch. 12 para. 17 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

- 18 (1) Paragraph 7 of Schedule 8 to the Taxes Act 1988 (cases in which a person has a material interest in a company for the purposes of a profit-related pay scheme) shall be amended in accordance with this paragraph.
- (2) In sub-paragraph (2) for the words from “in a company” onwards there shall be substituted—
- “in a company if he, either on his own or with one or more associates, or if any associate of his with or without such other associates,—
- (a) is the beneficial owner of, or able, directly or through the medium of other companies, or by any other indirect means to control, more than 25 percent. of the ordinary share capital of the company, or
- (b) in the case of a close company, possesses, or is entitled to acquire, such rights as would, in the event of the winding-up of the company or in any other circumstances, give an entitlement to receive more than 25 per cent. of the assets which would then be available for distribution among the participators”.
- (3) In sub-paragraph (3) the second “and” shall be omitted and after the definition of “control” there shall be inserted “and
- “participator” has the meaning given by section 417(1)”.
- (4) This paragraph shall have effect in relation to accounting periods beginning after 31st March 1989.

Status:

Point in time view as at 01/04/2010.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1989, SCHEDULE 12.