

*Status: Point in time view as at 01/07/2007.*

*Changes to legislation: Finance Act 1994, SCHEDULE 25 is up to date with all changes known to be in force on or before 29 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)*

## SCHEDULES

### SCHEDULE 25

Section 253.

#### NORTHERN IRELAND AIRPORTS LIMITED

##### *Interpretation*

- 1 (1) In this Schedule—
- “the final accounting period” means the last complete accounting period of NIAL ending before the transfer date;
  - “the Holding Company” means the Northern Ireland Transport Holding Company established under section 47 of the <sup>M1</sup>Transport Act (Northern Ireland) 1967;
  - “NIAL” means the subsidiary of the Holding Company incorporated under the name of Northern Ireland Airports Limited;
  - “the Order” means the <sup>M2</sup>Airports (Northern Ireland) Order 1994 and any reference to an Article is to an Article of the Order;
  - “the successor company” means the company nominated under Article 51(1) as the successor company for the purposes of the Order;
  - “the transfer date” means the day appointed under Article 54(2);
  - “the transferred trade” means the trade carried on by NIAL and transferred under Article 54(2) to the successor company.
- (2) This Schedule, so far as it relates to corporation tax on chargeable gains, shall be construed as one with the <sup>M3</sup>Taxation of Chargeable Gains Act 1992.

##### **Marginal Citations**

- M1** 1967 c. 37 (N.I.).  
**M2** S.I. 1994/426 (N.I.).  
**M3** 1992 c. 12.

##### *Transfers from NIAL to successor company: general*

- 2 (1) The following shall apply for the purposes of the Corporation Tax Acts—
- (a) the transferred trade shall be treated as having been, at the time when it began to be carried on by NIAL and at all times since that time, a separate trade carried on by the successor company;
  - (b) the trade carried on by the successor company on and after the transfer date shall be treated as the same trade as that which, by virtue of paragraph (a) above, it is treated as having carried on before that date;
  - (c) all property, rights and liabilities of NIAL which are transferred under Article 54(2) to the successor company shall be treated as having been, at the time

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when they became vested in NIAL and at all times since that time, property, rights and liabilities of the successor company; and

- (d) anything done by NIAL in relation to any property, rights and liabilities which are transferred under Article 54(2) to the successor company shall be deemed to have been done by the successor company.

- (2) This paragraph shall have effect in relation to accounting periods beginning after the final accounting period.

*Roll-over relief*

- 3 (1) This paragraph applies where NIAL has, before the transfer date, disposed of (or of its interest in) any assets used, throughout the period of ownership, wholly or partly for the purposes of the transferred trade.
- (2) Sections 152 to 156 of the <sup>M4</sup>Taxation of Chargeable Gains Act 1992 (roll-over relief on replacement of business assets) shall have effect in relation to that disposal as if NIAL and the successor company were the same person.

**Marginal Citations**

**M4** 1992 c. 12.

*Transfers from Holding Company to successor company*

- 4 (1) This paragraph applies where under Article 54(2) an asset of the Holding Company is transferred to the successor company.
- (2) The disposal of the asset by the Holding Company shall be taken for the purposes of corporation tax on chargeable gains to be effected for a consideration of such amount as would secure that on the disposal neither a gain nor a loss would accrue to the Holding company.
- (3) In section 35(3)(d) of the Taxation of Chargeable Gains Act 1992 after subparagraph (ix) there shall be inserted—  
“(x) paragraph 4(2) of Schedule 25 to the Finance Act 1994.”

*Leasehold interests in industrial buildings or structures*

- 5 (1) This paragraph applies where—
- (a) NIAL is entitled, under a lease granted by the Holding Company, to a leasehold interest in a building or structure,
- (b) by virtue of Article 52(2)(b) that interest is deemed to have been surrendered by NIAL,
- (c) under Article 52(3) the Holding Company and NIAL enter into a lease under which NIAL is entitled to a leasehold interest (“the new interest”) in the property, and
- (d) under Article 54(2) that interest is transferred to the successor company.
- (2) For the purposes of [F1the Capital Allowances Act 2001]—
- (a) the surrender shall be deemed to be for such an amount (by way of sale, insurance, salvage or compensation moneys) as would secure that no

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balancing allowance or balancing charge would be made to or on NIAL by reason of the surrender (“the surrender value”);

- (b) the successor company shall be treated for the purposes of [<sup>F1</sup>the Capital Allowances Act 2001]—
- (i) as if the new interest were the relevant interest in relation to the capital expenditure incurred on the construction of the property; and
  - (ii) as if the amount of the residue of that expenditure immediately after the transfer of the new interest were equal to the surrender value.

(3) In this paragraph—

<sup>F2</sup>

“balancing allowance” and “balancing charge” have the same meanings as in [<sup>F3</sup>Chapter 7 of Part 3 of the Capital Allowances Act 2001];

“the property” means the building or structure referred to in sub-paragraph (1); and

“relevant interest” has the same meaning as in [<sup>F4</sup>Chapter 3 of Part 3 of the Capital Allowances Act 2001].

#### Textual Amendments

- F1** Words in [Sch. 25 para. 5\(2\)](#) substituted (22.3.2001 with effect as mentioned in [s. 579\(1\)](#) of the amending Act) by [2001 c. 2, ss. 578, 579, Sch. 2 para. 92\(1\)](#)
- F2** Definition in [Sch. 25 para. 5\(3\)](#) repealed (22.3.2001 with effect as mentioned in [s. 579\(1\)](#) of the repealing Act) by [2001 c. 2, ss. 579, 580, Sch. 2 para. 92\(2\)\(a\), Sch. 4](#)
- F3** Words in [Sch. 25 para. 5\(3\)](#) substituted (22.3.2001 with effect as mentioned in [s. 579\(1\)](#) of the amending Act) by [2001 c. 2, ss. 578, 579, Sch. 2 para. 92\(2\)\(b\)](#)
- F4** Words in [Sch. 25 para. 5\(3\)](#) substituted (22.3.2001 with effect as mentioned in [s. 579\(1\)](#) of the amending Act) by [2001 c. 2, ss. 578, 579, Sch. 2 para. 92\(2\)\(c\)](#)

#### *Securities of successor company*

- 6 (1) Any share issued by the successor company under Article 57 shall be treated for the purposes of the Corporation Tax Acts as if it had been issued wholly in consideration of a subscription paid to the company of an amount equal to the nominal value of the share.
- (2) Any debenture issued by the successor company under Article 57 shall be treated for the purposes of the Corporation Tax Acts as if it had been issued—
- (a) wholly in consideration of a loan made to the company of an amount equal to the principal sum payable under the debenture, and
  - (b) wholly and exclusively for the purposes of the trade carried on by the company.
- (3) If any such debenture includes provision for the payment of a sum expressed as interest in respect of a period which falls wholly or partly before the issue of the debenture, any payment made in pursuance of that provision in respect of that period shall be treated for the purposes of the Corporation Tax Acts as if the debenture had been issued at the commencement of that period and, accordingly, as interest on the principal sum payable under the debenture.

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