

## SCHEDULES

### SCHEDULE 28

#### FOTRA SECURITIES: CONSEQUENTIAL AMENDMENTS

##### *The Taxes Act 1988*

- 3 (1) In section 475 of that Act (tax-free securities: exclusion of interest on borrowed money), for subsection (1) there shall be substituted the following subsection—
- “(1) This section has effect where a banking business, an insurance business or a business consisting wholly or partly in dealing in securities—
- (a) is carried on in the United Kingdom by a person not ordinarily resident there; and
  - (b) in computing for any of the purposes of the Tax Acts the profits arising from, or loss sustained, in the business, any amount which would otherwise be brought into account is disregarded by virtue of a condition subject to which any 3½% War Loan 1952 or after was issued;
- and for this purpose insurance business includes insurance business of any category.”
- (2) In subsections (3) and (8) of that section for the words “tax-free Treasury securities”, in each place where they occur, there shall be substituted “3½% War Loan 1952 or after”.
- (3) Subsections (6) and (7) of that section shall cease to have effect.