



Finance Act 1996

1996 CHAPTER 8

PART III

LANDFILL TAX

Miscellaneous

59 Groups of companies.

- (1) Where under the following provisions of this section any bodies corporate are treated as members of a group, for the purposes of this Part—
 - (a) any liability of a member of the group to pay tax shall be taken to be a liability of the representative member;
 - (b) the representative member shall be taken to carry out any taxable activities which a member of the group would carry out (apart from this section) by virtue of section 69 below;
 - (c) all members of the group shall be jointly and severally liable for any tax due from the representative member.
- (2) Two or more bodies corporate are eligible to be treated as members of a group if the [^{F1}conditions] mentioned in subsection (3) below [^{F2}are fulfilled] and—
 - (a) one of them controls each of the others,
 - (b) one person (whether a body corporate or an individual) controls all of them, or
 - (c) two or more individuals carrying on a business in partnership control all of them.
- (3) [^{F3}The conditions are that—
 - (a) each of the bodies corporate is a registered person, and
 - (b) the] prospective representative member has an established place of business in the United Kingdom.
- (4) Where an application to that effect is made to the Commissioners with respect to two or more bodies corporate eligible to be treated as members of a group, then—

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1996, Section 59. (See end of Document for details)

- (a) from the beginning of an accounting period they shall be so treated, and
 (b) one of them shall be the representative member,
- unless the Commissioners refuse the application; and the Commissioners shall not refuse the application unless it appears to them necessary to do so for the protection of the revenue.
- (5) Where any bodies corporate are treated as members of a group and an application to that effect is made to the Commissioners, then, from the beginning of an accounting period—
- (a) a further body eligible to be so treated shall be included among the bodies so treated,
 (b) a body corporate shall be excluded from the bodies so treated,
 (c) another member of the group shall be substituted as the representative member, or
 (d) the bodies corporate shall no longer be treated as members of a group,
- unless the application is to the effect mentioned in paragraph (a) or (c) above and the Commissioners refuse the application.
- (6) The Commissioners may refuse an application under subsection (5)(a) or (c) above only if it appears to them necessary to do so for the protection of the revenue.
- (7) Where a body corporate is treated as a member of a group as being controlled by any person and it appears to the Commissioners that it has ceased to be so controlled, they shall, by notice given to that person, terminate that treatment from such date as may be specified in the notice.
- (8) An application under this section with respect to any bodies corporate must be made by one of those bodies or by the person controlling them and must be made not less than 90 days before the date from which it is to take effect, or at such later time as the Commissioners may allow.
- (9) For the purposes of this section a body corporate shall be taken to control another body corporate if it is empowered by statute to control that body's activities or if it is that body's holding company within the meaning of section [F⁴1159 of and Schedule 6 to] the M¹Companies Act 1985; and an individual or individuals shall be taken to control a body corporate if he or they, were he or they a company, would be that body's holding company within the meaning of [F⁴those provisions].

Textual Amendments

- F1** Word in s. 59(2) substituted (with effect in accordance with s. 42(2), Sch. 12 para. 29(1) of the amending Act) by [Finance Act 2018 \(c. 3\), Sch. 12 para. 19\(2\)\(a\)](#)
- F2** Words in s. 59(2) substituted (with effect in accordance with s. 42(2), Sch. 12 para. 29(1) of the amending Act) by [Finance Act 2018 \(c. 3\), Sch. 12 para. 19\(2\)\(b\)](#)
- F3** Words in s. 59(3) substituted (with effect in accordance with s. 42(2), Sch. 12 para. 29(1) of the amending Act) by [Finance Act 2018 \(c. 3\), Sch. 12 para. 19\(3\)](#)
- F4** Words in s. 59(9) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments\) \(Taxes and National Insurance\) Order 2009 \(S.I. 2009/1890\), arts. 1\(1\), 4\(1\)\(c\)](#)

Marginal Citations

- M1** 1985 c. 6.

Changes to legislation:

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