



Finance Act 2000

2000 CHAPTER 17

PART III

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER II

OTHER PROVISIONS

Other relieving provisions

83 Relief for interest on loans to buy annuities.

- (1) In section 365(3) of the Taxes Act 1988 (loans to buy annuities)—
 - (a) for the words “the qualifying maximum for the year of assessment”, in the first place where they occur, there shall be substituted the words “the sum of £30,000”; and
 - (b) for those words, in the second place where they occur, there shall be substituted the words “that sum”.
- (2) In section 353(1G) of that Act (percentage of interest eligible for relief), for the words from “the percentage” to the end there shall be substituted “23 per cent.”.
- (3) In section 369(1A) of that Act (deductible percentage where interest payable under deduction of tax), for the words from “the percentage” to the end there shall be substituted “23 per cent.”.
- (4) This section has effect in relation to payments of interest made on or after 6th April 2000.

^{F1}84 Exemption of payments under New Deal 50plus.

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Status: Point in time view as at 20/07/2005.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2000, Cross Heading: Other relieving provisions. (See end of Document for details)

Textual Amendments

- F1** S. 84 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), Sch. 1 para. 515, [Sch. 3](#) (with Sch. 2)

F2 85 Exemption of payments under Employment Zones programme.

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Textual Amendments

- F2** S. 85 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), Sch. 1 para. 516, [Sch. 3](#) (with Sch. 2)

86 Loan where return bears inverse relationship to results.

- (1) In section 209 of the Taxes Act 1988 (meaning of “distribution”), after subsection (3A) insert—

“(3B) For the purposes of subsection (2)(e)(iii) above the consideration given by the company for the use of the principal secured shall not be treated as being to any extent dependent on the results of the company’s business or any part of it by reason only of the fact that the terms of the security provide—

- (a) for the consideration to be reduced in the event of the results improving, or
- (b) for the consideration to be increased in the event of the results deteriorating.”This subsection applies to payments made on or after 21st March 2000.

- (2) In Schedule 18 to the Taxes Act 1988 (group relief: equity holders and profits available for distribution), in paragraph 1(5E)—

- (a) in paragraph (a), after “improving” insert “ , or for the rate of interest to be increased in the event of the results of the company’s business or any part of it deteriorating ”; and
- (b) in paragraph (b), after “increasing” insert “ , or for the rate of interest to be increased in the event of the value of any of the company’s assets diminishing ”.

This subsection applies for the purposes of determining whether, at any time on or after 21st March 2000, a loan is a normal commercial loan for the purposes of paragraph 1(1)(b) of Schedule 18 to the Taxes Act 1988.

F3 87 Tax treatment of acquisition, disposal or revaluation of certain rights.

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Textual Amendments

- F3** S. 87 repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), Sch. 1 para. 517, [Sch. 3](#) (with Sch. 2)

Status: Point in time view as at 20/07/2005.

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88 Contributions to local enterprise agencies, etc.

In sections 79(11) and 79A(7) of the Taxes Act 1988 (relief for contributions to local enterprise agencies, business links and similar organisations: time limits), the words “and before 1st April 2000” shall cease to have effect.

89 Waste disposal: entitlement of successor to allowances.

In Chapter V of Part IV of the Taxes Act 1988 (provisions relating to the Schedule D charge: deductions), after section 91B (waste disposal: site preparation), insert—

“91BA Waste disposal: entitlement of successor to allowances.

- (1) This section applies where—
 - (a) site preparation expenditure has been incurred in relation to a waste disposal site,
 - (b) that expenditure was incurred by a person in the course of carrying on a trade, and
 - (c) on or after 21st March 2000—
 - (i) that person (“the predecessor”) ceases to carry on that trade, or ceases to carry it on so far as it relates to that site, and
 - (ii) another person (“the successor”) begins to carry on that trade, or to carry on in the course of a trade the activities formerly carried on by the predecessor in relation to that site.
- (2) If the conditions specified in the following provisions of this section are met, then, for the purposes of section 91B above—
 - (a) the trade carried on by the successor shall be treated as the same trade as that carried on by the predecessor, and
 - (b) allowances shall be made to the successor (and not to the predecessor) as if everything done to or by the predecessor had been done to or by the successor.
- (3) The first condition is that the whole of the site in question is transferred to the successor.

Provided the successor holds an estate or interest in the whole of the site, it need not be the same as that held by the predecessor.
- (4) The second condition is that the successor, at the time he first deposits waste material at the site, holds a relevant licence in respect of the site which is then in force.
- (5) Expressions used in this section have the same meaning as in section 91B.”

Status:

Point in time view as at 20/07/2005.

Changes to legislation:

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