
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2000, Cross Heading: Meaning of “qualifying subsidiar”y. (See end of Document for details)

SCHEDULES

SCHEDULE 15

THE CORPORATE VENTURING SCHEME

PART III

THE ISSUING COMPANY

Meaning of “qualifying subsidiar”y

- 21 (1) A company (“the subsidiary”) is a qualifying subsidiary of another company (“the relevant company”) if the following conditions are met.
- (2) The conditions are that—
- ^{F1}(a)
 - ^{F1}(b)
 - ^{F1}(c)
 - ^{F2}(ca) the subsidiary is a 51% subsidiary of the relevant company;]
 - (d) no person other than the relevant company or another of its subsidiaries has control of the subsidiary within the meaning of section 840 of the Taxes Act 1988; and
 - (e) no arrangements are in existence by virtue of which ^{F3}either of the conditions in paragraphs (ca) and] (d) would cease to be met.
- (3) The subsidiary shall not be regarded as ceasing to be a company in relation to which the conditions in sub-paragraph (2) are met by reason only of—
- (a) anything done as a consequence of the subsidiary, or any other company, being in administration or receivership, or
 - (b) the subsidiary, or any other company, being wound up or dissolved without winding up,
- if sub-paragraph (4) applies.
- (4) This paragraph applies where—
- (a) in a case within sub-paragraph (3)(a)—
 - ^{F4}(i) the entry into administration or receivership, and]
 - (ii) everything done as a consequence of the company ^{F5}concerned] being in administration or receivership, or
 - (b) in a case within sub-paragraph (3)(b), the winding up or dissolution, is for commercial reasons and is not part of a scheme or arrangement the main purpose or one of the main purposes of which is the avoidance of tax.
- (5) The subsidiary shall not be regarded, at any time when arrangements are in existence for the disposal by the relevant company or (as the case may be) by another subsidiary

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of that company of all its interest in the subsidiary in question, as having ceased on that account to be a qualifying subsidiary [^{F6}of the relevant company] if the disposal is to be for commercial reasons [^{F7}and is not to be part] of a scheme or arrangement the main purpose of which, or one of the main purposes of which, is the avoidance of tax.

Textual Amendments

- F1** Sch. 15 para. 21(2)(a)-(c) repealed (22.7.2004) (with effect in accordance with Sch. 20 para. 15 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 20 para. 5\(2\)\(a\)](#), [Sch. 42 Pt. 2\(13\)](#)
- F2** Sch. 15 para. 21(2)(ca) inserted (22.7.2004) (with effect in accordance with Sch. 20 para. 15 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 20 para. 5\(2\)\(b\)](#)
- F3** Words in Sch. 15 para. 21(2)(e) substituted (22.7.2004) (with effect in accordance with Sch. 20 para. 15 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 20 para. 5\(2\)\(c\)](#)
- F4** Sch. 15 para. 21(4)(a)(i) substituted (15.9.2003) by [Enterprise Act 2002 \(Insolvency\) Order 2003 \(S.I. 2003/2096\)](#), [art. 1\(1\)](#), [Sch. para. 34\(a\)](#) (with [art. 6](#))
- F5** Word in Sch. 15 para. 21(4)(a)(ii) inserted (22.7.2004) (with effect in accordance with Sch. 20 para. 15 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 20 para. 5\(3\)](#)
- F6** Words in Sch. 15 para. 21(5) inserted (22.7.2004) (with effect in accordance with Sch. 20 para. 15 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 20 para. 5\(4\)\(a\)](#)
- F7** Words in Sch. 15 para. 21(5) substituted (22.7.2004) (with effect in accordance with Sch. 20 para. 15 of the amending Act) by [Finance Act 2004 \(c. 12\)](#), [Sch. 20 para. 5\(4\)\(b\)](#)

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