

## SCHEDULES

### SCHEDULE 27

#### GROUP RELIEF IN CASE OF NON-RESIDENT COMPANIES ETC.

#### PART II

##### CONSEQUENTIAL AMENDMENTS

##### *Section 76 of the Taxes Act 1988*

- 7 In section 76(1)(aa) of the Taxes Act 1988 (expenses of management: insurance companies), for “, 439B or 441” substitute “or 439B”.

##### *Section 434A of the Taxes Act 1988*

- 8 In section 434A(2) of the Taxes Act 1988 (losses on life assurance business)—
- (a) after paragraph (a)(ii) insert—
    - “(iii) any loss for that period under section 441; and”;
  - (b) for “, 439B or 441” substitute “or 439B”.

##### *Section 502 of the Taxes Act 1988*

- 9 In section 502 of the Taxes Act 1988 (interpretation of Chapter V of Part XII), for the words in subsection (3) after paragraph (c) substitute—
- “(3A) Section 413(6) applies for the purposes of subsection (3)(c) above but as if section 413 were modified as follows—
- (a) as if the definition of “company” in subsection (2) were omitted;
  - (b) as if at the beginning of subsection (5) there were inserted “References in this Chapter to a company apply only to bodies corporate resident in the United Kingdom; and”; and
  - (c) as if in that subsection, after the word “receipt”, in the second place where it occurs, there were inserted “; or
    - (c) of any share capital which it owns directly or indirectly in a body corporate not resident in the United Kingdom.””

##### *Schedule 24 to the Taxes Act 1988*

- 10 In Schedule 24 to the Taxes Act 1988 (assumptions for calculating chargeable profits etc. of foreign companies), make paragraph 5 sub-paragraph (1) of that paragraph; and after that sub-paragraph insert—

---

*Status: This is the original version (as it was originally enacted).*

---

“(2) Where, under Chapter IV of Part X, any relief is in fact surrendered by the company and allowed to another company by way of group relief, it shall be assumed that the chargeable profits of the company, apart from this paragraph, are to be increased by an amount of additional profits equal to the amount of the relief so surrendered and allowed.”.

*Schedule 18 to the Finance Act 1998*

11 In paragraph 68 of Schedule 18 to the Finance Act 1998 (contents of claim for group relief), after sub-paragraph (2) insert—

“(3) A claim for group relief must also state whether or not there is a company mentioned in sub-paragraph (4) that was not resident in the United Kingdom in either or both of the following periods—

- (a) the accounting period of the surrendering company to which the surrender relates,
- (b) the corresponding accounting period of the claimant company.

(4) Those companies are the claimant company, the surrendering company and any other company by reference to which—

- (a) the claimant company and the surrendering company are members of the same group, or
- (b) the conditions specified in section 402(3) of the Taxes Act 1988 for the making of the claim are satisfied in the case of the claimant company and the surrendering company.”.

*Commencement*

12 (1) Paragraphs 7, 8, 10 and 11 have effect in relation to accounting periods ending on or after 1st April 2000.

(2) Paragraph 9 has effect wherever the enactment amended by that paragraph falls to be construed, so far as it applies provisions of Chapter IV of Part X of the Taxes Act 1988, as applying those provisions as amended by Part I of this Schedule.