



Finance Act 2001

2001 CHAPTER 9

PART 3

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 2

OTHER PROVISIONS

Miscellaneous

84 Exclusion of deductions for deemed manufactured payments

- (1) Section 736B of the Taxes Act 1988 (deemed manufactured payments in case of stock lending arrangements) is amended as follows.
- (2) In subsection (2) (application of provisions to deemed manufactured payments) after “shall apply” insert “, subject to subsection (2A) below,”.
- (3) After that subsection insert—
 - “(2A) The borrower is not entitled, by virtue of anything in Schedule 23A or any provision of regulations under that Schedule, or otherwise—
 - (a) to any deduction in computing profits or gains for the purposes of income tax or corporation tax, or
 - (b) to any deduction against total income or, as the case may be, total profits,

in respect of any such deemed requirement or payment as is provided for by subsection (2) above.

Where the borrower is a company, an amount may not be surrendered by way of group relief if a deduction in respect of it is prohibited by this subsection.”

Status: This is the original version (as it was originally enacted).

- (4) This section applies to payments treated under section 736B as made on or after 3rd October 2000.