

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2002, Part 2. (See end of Document for details)*

SCHEDULES

SCHEDULE 25 **U.K.**

LOAN RELATIONSHIPS

PART 2 **U.K.**

AMENDMENTS OF OTHER ENACTMENTS

The Taxes Act 1988

Introductory

43 The Taxes Act 1988 is amended as follows.

Incidental costs of obtaining loan finance

44 In section 77(2)(a) (meaning of “qualifying loan” etc) omit sub-paragraph (ii) (interest deductible under section 338 against total profits).

Group relief

^{F1}45

Textual Amendments

F1 Sch. 25 para. 45 repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

^{F2}46

Textual Amendments

F2 Sch. 25 para. 46 repealed (with effect in accordance with [Sch. 43 Pt. 3\(12\) Note 1](#) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 43 Pt. 3\(12\)](#)

Building society shares: regulations for deduction of tax

^{F3}47

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Textual Amendments

F3 Sch. 25 para. 47 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

Building society shares: incidental costs of issuing qualifying shares

F448

Textual Amendments

F4 Sch. 25 para. 48 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

European Economic Interest Groupings

F549

Textual Amendments

F5 Sch. 25 para. 49 repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

Funding bonds issued in respect of interest on certain debts

F650

Textual Amendments

F6 Sch. 25 para. 50 repealed (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

Transfers of income arising from securities

F751

Textual Amendments

F7 Sch. 25 para. 51 repealed (with effect in accordance with Sch. 11 Pt. 2(8) Note of the amending Act) by Finance (No. 2) Act 2005 (c. 22), **Sch. 11 Pt. 2(8)**

Treatment of price differential on sale and repurchase of securities

F852

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Textual Amendments

F8 Sch. 25 para. 52 repealed (19.7.2007) by [Finance Act 2007 \(c. 11\)](#), **Sch. 27 Pt. 2(14)**

Restriction of relief for payments of interest

F9⁵³

Textual Amendments

F9 [Sch. 25 para. 53](#) repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 3 Pt. 1** (with Sch. 2 Pts. 1, 2)

Limits on credit: corporation tax

F10⁵⁴

Textual Amendments

F10 Sch. 25 paras. 54, 55 repealed (1.4.2010) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), **Sch. 10 Pt. 1** (with Sch. 9 paras. 1-9, 22)

Foreign tax on items giving rise to a non-trading credit

F10⁵⁵

Textual Amendments

F10 Sch. 25 paras. 54, 55 repealed (1.4.2010) by [Taxation \(International and Other Provisions\) Act 2010 \(c. 8\)](#), s. 381(1), **Sch. 10 Pt. 1** (with Sch. 9 paras. 1-9, 22)

Investment trusts

F11⁵⁶

Textual Amendments

F11 [Sch. 25 para. 56](#) repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

Venture capital trusts

F12⁵⁷

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Textual Amendments

F12 Sch. 25 para. 57 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), Sch. 1 para. 421, **Sch. 3 Pt. 1** (with Sch. 2)

Change in ownership of investment company

^{F13}58

Textual Amendments

F13 Sch. 25 para. 58 repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), **Sch. 3 Pt. 1** (with Sch. 2)

The Finance Act 1988

Commercial woodlands

- 59 (1) Schedule 6 to the Finance Act 1988 (c. 39) is amended as follows.
- (2) In consequence of Chapter 2 of Part 4 of the Finance Act 1996 (loan relationships) in paragraph 3 (abolition of Schedule D election etc) omit—
- (a) sub-paragraphs (3)(a), (4)(a) and (5)(a) and (b);
 - (b) in sub-paragraph (5), in the words following paragraph (c), the word “group”; and
 - (c) sub-paragraph (6).

The Taxation of Chargeable Gains Act 1992

Interest charged to capital

- 60 (1) Section 40 of the Taxation of Chargeable Gains Act 1992 (c. 12) is amended as follows.
- (2) After subsection (3) add—
- “(4) In consequence of Chapter 2 of Part 4 of the Finance Act 1996 (c. 8) (loan relationships) this section does not have effect in relation to interest referable to an accounting period ending on or after 1st April 1996.”

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2002, Part 2.