

Status: Point in time view as at 01/04/2010.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2002, SCHEDULE 30. (See end of Document for details)

SCHEDULES

SCHEDULE 30

Section 84(2)

GAINS AND LOSSES OF A COMPANY FROM INTANGIBLE FIXED ASSETS: CONSEQUENTIAL AMENDMENTS

General provisions about deductions

- 1 (1) For sections 337 and 337A of the Taxes Act 1988 (corporation tax: general provisions about taxation of income) substitute—

“337 Company beginning or ceasing to carry on trade

- (1) Where a company begins or ceases—
- (a) to carry on a trade, or
 - (b) to be within the charge to corporation tax in respect of a trade,
- the company’s income shall be computed as if that were the commencement or, as the case may be, the discontinuance of the trade, whether or not the trade is in fact commenced or discontinued.
- (2) Subsection (1) applies to a Schedule A business or overseas property business as it applies to a trade.

337A Computation of company’s profits or income: exclusion of general deductions

- (1) For the purposes of corporation tax, subject to any provision of the Corporation Tax Acts expressly authorising a deduction—
- (a) a company’s profits shall be computed without any deduction in respect of dividends or other distributions, and
 - (b) a company’s income from any source shall be computed without any deduction in respect of charges on income.
- (2) In computing a company’s income from any source for the purposes of corporation tax—
- (a) no deduction shall be made in respect of interest except in accordance with Chapter 2 of Part 4 of the Finance Act 1996 (loan relationships); and
 - (b) no deduction shall be made in respect of losses from intangible fixed assets within Schedule 29 to the Finance Act 2002 except in accordance with that Schedule.”.

^{F1}(2)

- (3) In section 214(1) of the Taxes Act 1988 (chargeable payments connected with exempt distributions), in paragraph (c) (payments not to be treated as distributions

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for purposes of certain provisions) for “sections 337(2) and 338(2)(a)” substitute “section 337A(1)”.

F2(4)

F3(5)

Textual Amendments

- F1 Sch. 30 para. 1(2) repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 3 Pt. 1 (with Sch. 2)
- F2 Sch. 30 para. 1(4) repealed (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), Sch. 3 Pt. 1 (with Sch. 2)
- F3 Sch. 30 para. 1(5) repealed (6.4.2007) by Income Tax Act 2007 (c. 3), s. 1034(1), Sch. 3 Pt. 1 (with Sch. 2)

Surrender of non-trading loss by way of group relief

F42

Textual Amendments

- F4 Sch. 30 paras. 2-4 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)

Extension of charitable exemption to non-trading gains

F43

Textual Amendments

- F4 Sch. 30 paras. 2-4 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)

Change in ownership of company with unused non-trading loss

F44

Textual Amendments

- F4 Sch. 30 paras. 2-4 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)

Double taxation relief

F55

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Textual Amendments

F5 Sch. 30 para. 5 repealed (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 10 Pt. 1** (with Sch. 9 paras. 1-9, 22)

Value-shifting provisions

6 After section 33 of the Taxation of Chargeable Gains Act 1992 (provisions supplementary to sections 30 to 32) insert—

“33A Modification of sections 30 to 33 in relation to chargeable intangible asset

(1) Sections 30 to 33 have effect in relation to a chargeable intangible asset subject to the following modifications.

In this section “chargeable intangible asset” has the same meaning as in Schedule 29 to the Finance Act 2002.

(2) Any reference in those sections—

- (a) to a disposal or part disposal of the asset shall be read as a reference to its realisation or part realisation within the meaning of that Schedule (see paragraph 19 of that Schedule);
- (b) to an disposal of the asset under section 171(1) shall be read as a reference to its transfer under paragraph 55 of that Schedule (transfers within a group);
- (c) to a disposal of the asset under section 179 shall be read as a reference to its realisation under paragraph 58 or 60 of that Schedule (degrouing).

(3) In section 31(6), paragraph (c) shall not apply to a revaluation where the profit on the revaluation is wholly taken into account as a credit under that Schedule (see paragraph 15 of that Schedule).

(4) None of the conditions in section 31(9) shall be treated as satisfied if the asset with enhanced value is a chargeable intangible asset within the meaning of that Schedule.

(5) The reference in section 32(2)(b) to the cost of the underlying asset shall be read, in the case of a chargeable intangible asset, as a reference to the capitalised value of the asset recognised for accounting purposes.”.

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