

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2004, Cross Heading: Income and Corporation Taxes Act 1988. (See end of Document for details)

SCHEDULES

SCHEDULE 5

PROVISION NOT AT ARM'S LENGTH: RELATED AMENDMENTS

Income and Corporation Taxes Act 1988

^{F1}2

Textual Amendments

F1 Sch. 5 para. 2 repealed (with effect in accordance with s. 1329(1) of the amending Act) by [Corporation Tax Act 2009 \(c. 4\)](#), s. 1329(1), **Sch. 3 Pt. 1** (with [Sch. 2 Pts. 1,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](#))

Petroleum extraction activities: ring fence trade: charges on income

- 3 (1) Section 494 of the Taxes Act 1988 (charges on income) is amended as follows.
- (2) In subsection (2) (which restricts the loan relationship debits that may be brought into account in a manner resulting in reduction of ring fence profits)—
- ^{F2}(a)
- (b) omit paragraph (d) (which imposes a restriction by reference to a reasonable commercial rate of return and is superseded by the application of paragraphs 1A and 1B of Schedule 28AA to the Taxes Act 1988 by virtue of paragraph 11 of that Schedule);
- (c) omit the third sentence (which defines “net debit” for the purposes of paragraph (d)).
- (3) Omit subsection (2B) (which relates to the net debit within the meaning of subsection (2)(d)).

Textual Amendments

F2 [Sch. 5 para. 3\(2\)\(a\)](#) repealed (with effect in accordance with s. 1184(1) of the amending Act) by [Corporation Tax Act 2010 \(c. 4\)](#), s. 1184(1), **Sch. 3 Pt. 1** (with [Sch. 2](#))

Assumptions for calculating chargeable profits etc: transfer pricing

- 4 In Schedule 24 to the Taxes Act 1988, paragraph 20 shall cease to have effect.

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