

Status: Point in time view as at 19/07/2006.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2005, SCHEDULE 2. (See end of Document for details)

SCHEDULES

SCHEDULE 2

Section 55

ALTERNATIVE FINANCE ARRANGEMENTS: FURTHER PROVISIONS

Interpretation of Schedule

- 1 In this Schedule, “relevant arrangements” means—
- (a) arrangements falling within section 47 under which the person referred to in that section as Y is a financial institution, or
 - (b) arrangements falling within section 49 ^[^{F1}or 49A].

Textual Amendments

- F1** Words in Sch. 2 para. 1(b) inserted (19.7.2006) by [Finance Act 2006 \(c. 25\), s. 95\(8\)](#)

Taxes Management Act 1970 (c. 9)

- 2 In sections 17 and 18 of TMA 1970 (interest paid etc. without deduction of income tax), references to interest include references to alternative finance return or profit share return.

Income and Corporation Taxes Act 1988 (c. 1)

- 3 Section 349 of ICTA (certain payments to be made subject to deduction of income tax) has effect in relation to alternative finance return or profit share return as it has effect in relation to interest.

^{F2}4

Textual Amendments

- F2** [Sch. 2 para. 4](#) omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Authorised Investment Funds \(Tax\) Regulations 2006 \(S.I. 2006/964\), regs. 1\(1\), 92\(2\)](#)

- 5 Section 477A of ICTA (building societies: regulations for deduction of tax) applies in relation to alternative finance return and profit share return paid or credited under relevant arrangements as it applies in relation to interest paid or credited in respect of a deposit or loan.

- 6 Sections 480A to 482 of ICTA (relevant deposits: deduction of tax from interest payments etc.) have effect as if—
- (a) relevant arrangements were a deposit, and
 - (b) alternative finance return or profit share return payable under relevant arrangements were interest.

Status: Point in time view as at 19/07/2006.

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 2005, SCHEDULE 2. (See end of Document for details)*

7 In section 582 of ICTA (funding bonds) references to interest include references to alternative finance return or profit share return.

8 Section 787 of ICTA (restriction of relief for payments of interest) has effect in relation to alternative finance return or profit share return as it has effect in relation to interest.

Finance Act 1996 (c. 8)

9 In paragraph 8(2)(a) of Schedule 10 to FA 1996 (loan relationships: collective investment schemes), the reference to money placed at interest includes a reference to money invested under relevant arrangements.

Income Tax (Trading and Other Income) Act 2005 (c. 5)

10 In section 380 of ITTOIA 2005 (funding bonds), references to interest include references to alternative finance return or profit share return.

Status:

Point in time view as at 19/07/2006.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2005, SCHEDULE 2.