



Finance Act 2005

2005 CHAPTER 7

PART 2

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 5

ALTERNATIVE FINANCE ARRANGEMENTS

Arrangements giving rise to profit share return

49 Alternative finance arrangements: [^{F1}deposit]

- (1) Subject to section 52, arrangements fall within this section if they are arrangements under which—
- (a) a person (“the depositor”) deposits money with a financial institution,
 - (b) the money, together with money deposited with the institution by other persons, is used by the institution with a view to producing a profit,
 - (c) from time to time the institution makes or credits a payment to the depositor, in proportion to the amount deposited by him, out of any profit resulting from the use of the money, and
 - (d) the payments so made or credited by the institution equate, in substance, to the return on an investment of money at interest.

[^{F2}(2) Amounts paid or credited as mentioned in subsection (1)(c) by a financial institution under arrangements falling within this section are [^{F3}alternative finance return] for the purposes of this Chapter.]

Textual Amendments

- F1** Word in s. 49 heading substituted (19.7.2006) by [Finance Act 2006 \(c. 25\), s. 95\(2\)\(b\)](#)
- F2** S. 49(2) substituted (19.7.2006) by [Finance Act 2006 \(c. 25\), s. 95\(2\)\(a\)](#)

Status: Point in time view as at 01/04/2009. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2005, Section 49. (See end of Document for details)

F3 Words in s. 49(2) substituted (with effect in accordance with s. 1329(1) of the amending Act) by Corporation Tax Act 2009 (c. 4), s. 1329(1), **Sch. 1 para. 652** (with Sch. 2 Pts. 1, 2)

Status:

Point in time view as at 01/04/2009. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 2005, Section 49.