



Income Tax Act 2007

2007 CHAPTER 3

PART 6

VENTURE CAPITAL TRUSTS

CHAPTER 4

QUALIFYING HOLDINGS

The requirements

288 The no guaranteed loan requirement

- (1) The requirement of this section is that there are no securities relating to a guaranteed loan in the relevant holding.
- (2) For the purposes of this section, a security relates to a guaranteed loan if (and only if) there are arrangements for the investing company to be or to become entitled to receive anything (whether directly or indirectly) from a third party in the event of the failure by any person to comply with—
 - (a) the terms of the loan to which the security relates, or
 - (b) the terms of the security.
- (3) For the purposes of subsection (2) it does not matter whether the arrangements apply in all cases of a failure to comply or only in some such cases.
- (4) For the purposes of this section “third party” means any person except—
 - (a) the relevant company, and
 - (b) if the relevant company is a parent company that meets the trading requirement in section 290(1)(b), the subsidiaries of that company.

Status:

Point in time view as at 19/12/2012.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 288.