



Income Tax Act 2007

2007 CHAPTER 3

PART 11

MANUFACTURED PAYMENTS AND REPOS

CHAPTER 4

DEEMED MANUFACTURED PAYMENTS

Repos

604 Deemed increase in repurchase price: price differences under repos

- (1) This section applies if—
 - (a) an amount is treated as paid under section 602(1)(b) (deemed manufactured payments), and
 - (b) as a result, one of these sections applies—
 - (i) section 573 (manufactured dividends on UK shares),
 - (ii) section 576 (manufactured dividends on UK shares: Real Estate Investment Trusts),
 - (iii) section 578 (manufactured interest on UK securities),
 - (iv) section 581 (manufactured overseas dividends).
- (2) If the deemed payment is representative of a dividend on UK shares (other than one falling within subsection (3)), the repurchase price of the UK shares is treated for the purposes of section 607 (treatment of price differences under repos) as increased by an amount equal to the amount of the dividend.
- (3) So far as the deemed payment is representative of a dividend on UK shares—
 - (a) paid by a company to which Part 4 of FA 2006 applies in respect of profits of C (tax-exempt), or

Status: Point in time view as at 17/07/2007. This version of this provision has been superseded.

*Changes to legislation: There are currently no known outstanding effects
for the Income Tax Act 2007, Section 604. (See end of Document for details)*

- (b) paid by a group to which that Part applies in respect of profits of G (property rental business),
the repurchase price of the UK shares is treated for the purposes of section 607 as increased by the gross amount of the dividend.
- (4) If the deemed payment is representative of a periodical payment of interest on UK securities, the repurchase price of the UK securities is treated for the purposes of section 607 as increased by the gross amount of the periodical payment of interest.
- (5) If the deemed payment is representative of an overseas dividend on overseas securities, the repurchase price of the overseas securities is treated for the purposes of section 607 as increased by the gross amount of the overseas dividend.

Status:

Point in time view as at 17/07/2007. This version of this provision has been superseded.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 604.