



Income Tax Act 2007

2007 CHAPTER 3

PART 12

ACCRUED INCOME PROFITS

CHAPTER 2

ACCRUED INCOME PROFITS AND LOSSES

Special rules about some calculations

660 Transfers with unrealised interest: interest in default

- (1) This section applies if—
 - (a) securities are transferred with unrealised interest,
 - (b) there has been a failure to pay interest due on the securities transferred, and
 - (c) as a result of the failure, on the day of the transfer the value of the right to receive the unrealised interest (“the unrealised interest value”) is less than the unrealised interest.
- (2) The amount of the payment treated as made to the transferor under section 634(2) is taken to be the unrealised interest value instead of the amount of the unrealised interest.
- (3) The amount of accrued income profits under section 631(1) is taken to be the unrealised interest value instead of the amount of the unrealised interest.
- (4) Subsections (2) and (3) are subject to section 661 (successive transfers with unrealised interest in default).
- (5) For the purposes of this section and section 661, a person is treated as transferring securities of a particular kind which the person acquired later before securities of that kind acquired earlier.

Status: Point in time view as at 06/04/2021.

Changes to legislation: There are currently no known outstanding effects for the Income Tax Act 2007, Section 660. (See end of Document for details)

- (6) See also section 681 (exemption for unrealised interest received by transferee after transfer).

Status:

Point in time view as at 06/04/2021.

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 660.