

*These notes refer to the Finance Act 2009 (c.10) which received Royal Assent on 21 July 2009*

# **FINANCE ACT 2009**

---

## **EXPLANATORY NOTES**

### **INTRODUCTION**

#### ***Section 67: Deductions for Employee Liabilities***

##### **Details of the Section**

2. Subsection (2) inserts a new subsection (2A) into section 346 of ITEPA.
3. New subsection (2A) prevents any deduction under section 346 of ITEPA where a payment is made as part of arrangements for which tax avoidance is either the main purpose or one of the main purposes.
4. New section 556A prevents any deduction under section 555 where a payment is made as part of arrangements for which tax avoidance is either the main purpose or one of the main purposes.
5. Subsection (4) provides that the new rules in section 346(2A) and section 556A have effect for payments made on or after 12 January 2009.