Finance Act 2009

2009 CHAPTER 10

PART 8

MISCELLANEOUS

Other matters

124 Mutual societies: tax consequences of transfers of business etc

(1) The Treasury may by regulations make provision for and in connection with—

(a) the tax consequences of a transfer of all or part of the business or engagements of a mutual society,

(b) the tax consequences of an amalgamation of mutual societies, and

(c) the tax consequences of the conversion of a mutual society into a company.

(2) "Mutual society" means—

(a) a building society incorporated (or deemed to be incorporated) under the Building Societies Act 1986,

(b) a friendly society within the meaning of the Friendly Societies Act 1992, or

(c) an industrial and provident society registered (or deemed to be registered) under the Industrial and Provident Societies Act 1965.

(3) Regulations under this section may, in particular, make provision about—

(a) relief from tax in respect of losses,

(b) capital allowances,

(c) the taxation of chargeable gains (including provision conferring relief for specified transfers and amalgamations),

(d) the treatment of intangible fixed assets and goodwill,

(e) the treatment of loan relationships (and matters treated as loan relationships),

(f) the treatment of derivative contracts (and contracts treated as derivative contracts),

(g) exemption or other relief from stamp duty, stamp duty reserve tax or stamp duty land tax, and

(h) the treatment of arrangements the purpose, or one of the main purposes, of which is to secure a tax advantage.

(4) Regulations under this section may, in particular—

(a) modify enactments and instruments relating to tax (whenever passed or made),

(b) make different provision for different cases or different purposes, and

(c) make incidental, consequential or transitional provision (including provision modifying enactments and instruments, whenever passed or made).

(5) Regulations under this section may include provision having effect in relation to any time before they are made if the provision does not increase any person's liability to tax.

(6) Regulations under this section are to be made by statutory instrument.

(7) A statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of the House of Commons.

(8) In this section—

"arrangements" includes any arrangements, scheme or understanding of any kind, whether or not legally enforceable and whether involving a single transaction or two or more transactions;

"company" means a company formed and registered under the Companies Act 2006 (or treated as formed and registered under that Act);

"derivative contract" has the same meaning as in Part 7 of CTA 2009 (see section 576 of that Act);

"goodwill" and "intangible fixed asset" have the same meaning as in Part 8 of CTA 2009 (see sections 713 and 715 of that Act);

"loan relationship" has the same meaning as in the Corporation Tax Acts (see section 302(1) and (2) of CTA 2009);

"modify" includes amend, repeal or revoke;

"tax" includes stamp duty;

"tax advantage" means—

(a) a relief from tax (including a tax credit) or increased relief from tax,

(b) a repayment of tax or increased repayment of tax,

(c) the avoidance, reduction or delay of a charge to tax or an assessment to tax, or

(d) the avoidance of a possible assessment to tax.