Corporation Tax Act 2009

2009 CHAPTER 4

[F1 PART 9A

COMPANY DISTRIBUTIONS

Textual Amendments

F1 Pt. 9A inserted (with effect in accordance with Sch. 14 para. 31 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 14 para. 1** (with Sch. 14 para. 32)

Modifications etc. (not altering text)

C1 Pt. 9A modified (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), **ss. 787**, 795, 1184(1) (with Sch. 2)

C2 Pt. 9A modified by 2010 c. 4, s. 814D(6) (as inserted (with effect in accordance with Sch. 29 para. 51 of the amending Act) by Finance Act 2013 (c. 29), **Sch. 29 para. 2**)

CHAPTER 1

THE CHARGE TO TAX

931A Charge to tax on distributions received

(1) The charge to corporation tax on income applies to any dividend or other distribution of a company, but only if the distribution is not exempt.

F2(2) . . . .

[F3(3) A distribution is exempt for the purposes of this Part if it is exempt under—

(a) Chapter 2 (distributions received by small companies), or

(b) Chapter 3 (distributions received by companies that are not small).]

Textual Amendments

F2 S. 931A(2) omitted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by virtue of Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(2)**

F3 S. 931A(3) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(2)**

CHAPTER 2

EXEMPTION OF DISTRIBUTIONS RECEIVED BY SMALL COMPANIES

931B Exemption from charge to tax

A dividend or other distribution of a company that is received in an accounting period of the recipient in which the recipient is a small company is exempt if—

(a) the payer is a resident of (and only of) the United Kingdom or a qualifying territory at the time that the distribution is received,

(b) the distribution is not of a kind mentioned in **[**F4paragraph E or F in section 1000(1) of CTA 2010**]** (certain non-dividend distributions),

(c) no deduction is allowed to a resident of any territory outside the United Kingdom under the law of that territory in respect of the distribution, and

(d) the distribution is not made as part of a tax advantage scheme.

Textual Amendments

F4 Words in s. 931B(b) substituted (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 1 para. 659** (with Sch. 2)

931C Meaning of "qualifying territory"

(1) For the purpose of section 931B a territory is a "qualifying territory" if—

[F5(a) arrangements made in relation to the territory have effect under section 2(1) of TIOPA 2010 ("double taxation relief arrangements"), and**]**

(b) the arrangements contain a non-discrimination provision.

(2) The Treasury may by regulations—

(a) provide that a territory specified in or of a description specified in the regulations that does not satisfy subsection (1)(a) or (b) is a qualifying territory for the purpose of section 931B, and

(b) provide that a territory so specified or described that satisfies subsection (1)(a) and (b) is not a qualifying territory for that purpose.

(3) For the purpose of section 931B a company is a resident of a territory if, under the laws of the territory, the company is liable to tax there—

(a) by reason of its domicile, residence or place of management, but

(b) not in respect only of income from sources in that territory or capital situated there.

(4) In subsection (1) "non-discrimination provision", in relation to double taxation relief arrangements, means a provision to the effect that nationals of a state which is a party to those arrangements (a "contracting state") are not to be subject in any other contracting state to—

(a) any taxation, or

(b) any requirement connected with taxation,

which is other or more burdensome than the taxation and connected requirements to which nationals of that other state in the same circumstances (in particular with respect to residence) are or may be subjected.

(5) In subsection (4) "national", in relation to a contracting state, includes—

(a) an individual possessing the nationality or citizenship of the contracting state, and

(b) a legal person, partnership or association deriving its status as such from the laws in force in that contracting state.

(6) Regulations under this section may—

(a) describe a territory by reference to the double taxation relief arrangements for the time being in force in relation to the territory,

(b) make different provision in relation to different descriptions of company, and

(c) make provision having effect in relation to accounting periods current on the day on which the regulations are made.

Textual Amendments

F5 S. 931C(1)(a) substituted (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 8 para. 98** (with Sch. 9 paras. 1-9, 22)

[F6 931CA Further exemption where distribution received from CFC

(1) Subsection (2) applies if—

(a) under Part 9A of TIOPA 2010 (controlled foreign companies), the CFC charge is charged in relation to a CFC's accounting period,

(b) a dividend or other distribution of the CFC is received in an accounting period (for corporation tax purposes) of the recipient in which the recipient is a small company,

(c) the whole or a part of the distribution is paid in respect of profits which are chargeable profits of the CFC for its accounting period mentioned in paragraph (a), and

(d) the requirements of section 931B(b) to (d) are met in relation to the distribution.

(2) The distribution is exempt.

(3) If part of the distribution is not paid in respect of chargeable profits—

(a) for the purposes of this Part and Part 2 of TIOPA 2010 that part of the distribution is treated as a separate distribution, and

(b) subsection (2) does not apply to that separate distribution.

(4) In this section references to chargeable profits of the CFC are limited to chargeable profits so far as apportioned to chargeable companies at step 3 in section 371BC(1) of TIOPA 2010.**]**

Textual Amendments

F6 S. 931CA inserted (17.7.2012) by Finance Act 2012 (c. 14), **Sch. 20 para. 30** (with Sch. 20 para. 52)

CHAPTER 3

EXEMPTION OF DISTRIBUTIONS RECEIVED BY COMPANIES THAT ARE NOT SMALL

931D Exemption from charge to tax

A dividend or other distribution of a company that is received in an accounting period of the recipient in which the recipient is not a small company is exempt if—

(a) the distribution falls into an exempt class (see sections 931E to 931Q),

(b) the distribution is not of a kind mentioned in **[**F7 paragraph E or F in section 1000(1) of CTA 2010**]** (certain non-dividend distributions), and

(c) no deduction is allowed to a resident of any territory outside the United Kingdom under the law of that territory in respect of the distribution.

Textual Amendments

F7 Words in s. 931D(b) substituted (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 1 para. 660** (with Sch. 2)

Exempt classes

931E Distributions from controlled companies

(1) A dividend or other distribution falls into an exempt class if condition A or B is met.

(2) Condition A is that the recipient controls the payer.

[F8 (3) Condition B is that—

(a) the recipient is one of two persons who, taken together, control the payer,

(b) the recipient has interests, rights and powers representing at least 40% of the holdings, rights and powers in respect of which the recipient and the second person fall to be taken as controlling the payer, and

(c) the second person has interests, rights and powers representing—

(i) at least 40%, but

(ii) no more than 55%,

of the holdings, rights and powers in respect of which the recipient and the second person fall to be taken as controlling the payer.

(4) Section 371RB of TIOPA 2010 (read with section 371RD of that Act) applies for the purposes of this section.

(5) Section 371RD of TIOPA 2010 applies for the purpose of determining if the requirements of subsection (3)(b) and (c) are met in any case.

(6) In subsections (4) and (5) references to section 371RD of TIOPA 2010 are to that section omitting subsection (3)(c) and (d).**]**

Textual Amendments

F8 Ss. 931E(3)-(6) substituted for s. 931E(3)-(5) (17.7.2012) by Finance Act 2012 (c. 14), **Sch. 20 para. 31** (with Sch. 20 para. 53)

931F Distributions in respect of non-redeemable ordinary shares

A dividend or other distribution falls into an exempt class if it is made in respect of a share that—

(a) is an ordinary share, and

(b) is not redeemable.

931G Distributions in respect of portfolio holdings

(1) A dividend or other distribution falls into an exempt class if the recipient—

(a) holds less than 10% of the issued share capital of the payer,

(b) is entitled to less than 10% of the profits available for distribution to holders of the issued share capital of the payer, and

(c) would be entitled on a winding up to less than 10% of the assets of the company available for distribution to holders of the issued share capital of the payer.

(2) Where the payer has more than one class of share, references in subsection (1) to the issued share capital of the payer are to issued share capital of the same class as the share in respect of which the distribution is made.

(3) For the purposes of this section shares are not of the same class if the amounts paid up on them (otherwise than by way of premium) are different.

931H **[**[F9]Distributions**]** derived from transactions not designed to reduce tax

(1) A dividend **[**[F10]or other distribution**]** falls into an exempt class if it is **[**[F11]made **]** in respect of relevant profits.

(2) In this section "relevant profits" means any profits available for distribution at the time that the **[**[F12]distribution is made**]**, other than profits that reflect the results of a transaction, or of one or more of a series of transactions, where—

(a) the transaction or series of transactions achieve a reduction (other than a negligible reduction) in United Kingdom tax, and

(b) the purpose or one of the main purposes of that transaction or series of transactions is to achieve that reduction.

(3) A **[**[F13]distribution**]** that falls into an exempt class otherwise than by virtue of this section is for the purposes of this section treated, so far as possible, as **[**[F14]made**]** in respect of relevant profits.

(4) Any other [F15distribution] is for the purposes of this section treated, so far as possible, as [F16made] in respect of profits other than relevant profits.

(5) Where by virtue of subsection (4) part of a [F17distribution] is treated as [F18made] in respect of relevant profits and part is treated as [F18made] in respect of profits other than relevant profits, the two parts are treated for the purposes of this Part and [F19Part 2 of TIOPA 2010] (double taxation relief) as separate [F20distributions].

Textual Amendments

F9 Word in s. 931H heading substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(a)**

F10 Words in s. 931H(1) inserted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(b)(i)**

F11 Word in s. 931H(1) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(b)(ii)**

F12 Words in s. 931H(2) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(c)**

F13 Word in s. 931H(3) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(d)(i)**

F14 Word in s. 931H(3) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(d)(ii)**

F15 Word in s. 931H(4) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(d)(i)**

F16 Word in s. 931H(4) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(d)(ii)**

F17 Word in s. 931H(5) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(e)(i)**

F18 Word in s. 931H(5) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(e)(ii)**

F19 Words in s. 931H(5) substituted (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 8 para. 99** (with Sch. 9 paras. 1-9, 22)

F20 Word in s. 931H(5) substituted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(3)(e)(iii)**

931I Dividends in respect of shares accounted for as liabilities

A dividend falls into an exempt class if the dividend is paid in respect of a share to which, at the time of the payment, section 521C (shares accounted for as liabilities treated as loan relationships) does not apply only because the condition in subsection (1)(f) of that section is not met.

Exempt classes: anti-avoidance

931J Schemes involving manipulation of controlled company rules

(1) This section applies to a dividend that would, apart from this section, fall into an exempt class by virtue of section 931E.

(2) The dividend does not fall into an exempt class by virtue of that section if—

(a) the dividend is paid as part of a scheme the main purpose, or one of the main purposes, of which is to secure that dividends of the payer received by the recipient fall into an exempt class by virtue of that section, and
(b) the following condition is met.

(3) The condition is that the dividend is paid in respect of pre-control profits.

(4) A dividend that falls into an exempt class otherwise than by virtue of section 931E is for the purposes of this section treated, so far as possible, as paid in respect of profits other than pre-control profits.

(5) Any other dividend is for the purposes of this section treated, so far as possible, as paid in respect of pre-control profits.

(6) In this section "pre-control profits" means any profits available for distribution at the time the dividend is paid that arose at a time when neither condition A nor condition B in section 931E was met.

(7) Where—
(a) the condition in subsection (2)(a) is met, and
(b) by virtue of subsection (5) part of a dividend is treated as paid in respect of pre-control profits and part is treated as paid in respect of profits other than pre-control profits,

the two parts are treated for the purposes of this Part and **[**[F21]Part 2 of TIOPA 2010**]** (double taxation relief) as separate dividends.

Textual Amendments

F21 Words in s. 931J(7) substituted (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 8 para. 100** (with Sch. 9 paras. 1-9, 22)

931K Schemes involving quasi-preference or quasi-redeemable shares

(1) This section applies to a dividend or other distribution that would, apart from this section, fall into an exempt class by virtue of section 931F.

(2) The distribution does not fall into an exempt class by virtue of that section if—
(a) the distribution is made as part of a scheme the main purpose, or one of the main purposes, of which is to secure that distributions of the payer received by the recipient fall into an exempt class by virtue of that section, and
(b) the following condition is met.

(3) The condition is that the distribution is made in respect of a share that—
(a) would not be an ordinary share, or
(b) would be redeemable,

were the rights under the scheme of each relevant person to be attached to the share.

931L Schemes involving manipulation of portfolio holdings rule

(1) This section applies to a dividend or other distribution that would, apart from this section, fall into an exempt class by virtue of section 931G.

(2) The distribution does not fall into an exempt class by virtue of that section if—
(a) the distribution is made as part of a scheme the main purpose, or one of the main purposes, of which is to secure that distributions of the payer received by the recipient fall into an exempt class by virtue of that section, and
(b) the following condition is met.

(3) The condition is that the distribution would not fall into an exempt class by virtue of section 931G if the reference in subsection (1) of that section to the recipient were to all relevant persons taken together.

931M Schemes in the nature of loan relationships

(1) This section applies to a dividend or other distribution that does not fall into an exempt class by virtue of section 931E but would, apart from this section, fall into an exempt class otherwise than by virtue of that section.

(2) The distribution does not fall into an exempt class if—
(a) the distribution is made as part of a tax advantage scheme, and
(b) conditions A to C are met.

(3) Condition A is that the distribution constitutes part of a return in relation to an amount that is produced by the scheme for a relevant person, or two or more relevant persons taken together.

(4) Condition B is that the return is economically equivalent to interest.

(5) For this purpose a return produced for a person or persons by a scheme in relation to an amount is "economically equivalent to interest" if (and only if)—
(a) it is reasonable to assume that it is a return by reference to the time value of that amount of money,
(b) it is at a rate reasonably comparable to a commercial rate of interest, and
(c) at the time the scheme is entered into by the person or any of the persons, there is no practical likelihood that it will cease to be produced in accordance with the scheme.

(6) Condition C is that there is a connection between the payer and the recipient for the accounting period of the payer in which the distribution is made.

(7) Section 466 (companies connected for an accounting period) applies for the purposes of subsection (6) as if that subsection were a provision of Part 5 to which that section is applied (but this does not affect the application of section 1316(1) (meaning of connected persons) for the purposes of any other provision of this Part).

931N Schemes involving distributions for which deductions are given

(1) This section applies to a dividend or other distribution that would, apart from this section, fall into an exempt class.

(2) The distribution does not fall into an exempt class if—
(a) the distribution is made as part of a tax advantage scheme, and
(b) the following condition is met.

(3) The condition is that a deduction is allowed to a resident of any territory outside the United Kingdom under the law of that territory in respect of an amount determined by reference to the distribution.

931O Schemes involving payments for distributions

(1) This section applies to a dividend or other distribution that would, apart from this section, fall into an exempt class.

(2) The distribution does not fall into an exempt class if—
 (a) the distribution is made as part of a tax advantage scheme, and
 (b) the following condition is met.

(3) The condition is that the scheme includes a payment, or the giving up of a right to income, by a relevant person where—
 (a) the payment is made, or the right to income is given up, under a liability incurred for consideration in money or money's worth all or any of which consists of, or of the right to receive, the distribution, and
 (b) in the case of a payment, the conditions in subsections (2) and (4) to (7) of section 1301 (restriction of deductions for annual payments) apply to the payment.

931P Schemes involving payments not on arm's length terms

(1) This section applies to a dividend or other distribution that would, apart from this section, fall into an exempt class.

(2) The distribution does not fall into an exempt class if—
 (a) the distribution is made as part of a tax advantage scheme, and
 (b) the following condition is met.

(3) The condition is that—
 (a) the scheme includes a payment or receipt, or the giving up of a right to income, by a relevant person in respect of goods or services, and
 (b) the amount of the payment or receipt, or the amount of income given up, differs from the amount the relevant person would have paid, received or given up in respect of those goods or services had the distribution not been made.

(4) This section does not apply to a scheme that consists of a transaction or series of transactions in relation to which **[**[F22]Part 4 of TIOPA 2010**]** (provision not at arms length between parties under common control) applies.

Textual Amendments

F22 Words in s. 931P(4) substituted (with effect in accordance with s. 381(1) of the amending Act) by Taxation (International and Other Provisions) Act 2010 (c. 8), s. 381(1), **Sch. 8 para. 148** (with Sch. 9 paras. 1-9, 22)

931Q Schemes involving diversion of trade income

(1) This section applies to a dividend or other distribution that would, apart from this section, fall into an exempt class.

(2) The distribution does not fall into an exempt class if—

(a) the distribution is made as part of a scheme entered into by the recipient and another relevant person ("C"),

(b) if C had received the distribution, it would be reasonable to assume that the distribution would be dealt with under Part 3 (trading income), and

(c) the main purpose, or one of the main purposes, of the scheme is to produce the result that the distribution is dealt with under this Part because it is received by the recipient.

(3) For the purposes of subsection (2)(b) it is to be assumed that, in the case of any relevant transaction to which a relevant person other than C is a party, C were that party to that transaction.

(4) In this section "relevant transaction" means any of the transactions giving rise to the distribution.

CHAPTER 4

SUPPLEMENTARY

Election that distribution should not be exempt

931R Election that distribution should not be exempt

(1) This section applies where, apart from this section, a distribution ("the distribution") would be exempt.

(2) If the recipient so elects, the distribution is not exempt.

(3) An election under this section must be made on or before the second anniversary of the end of the accounting period in which the distribution is received.

(4) Subsection (5) applies where the distribution is a dividend that is treated for certain purposes of Part 18 of ICTA (double taxation relief) as two separate dividends by virtue of section 801C of that Act (separate streaming of dividend so far as representing an ADP dividend of a CFC).

(5) If the recipient so elects—

(a) the distribution is to be treated for the purposes of this Part as if it were an ADP dividend and a separate residual dividend as provided for in that section of that Act, and

(b) the ADP dividend is not exempt.

(6) The reference in subsection (4) to section 801C of ICTA is to that section as it continues to have effect in accordance with paragraph 8(1) of Schedule 16 to FA 2009 in relation to dividends paid on or after 1 July 2009 for accounting periods beginning before that day.

Modifications etc. (not altering text)

C3 S. 931R excluded by S.I. 2006/964, reg. 69Z58 (as inserted (1.9.2009) by The Authorised Investment Funds (Tax) (Amendment) Regulations 2009 (S.I. 2009/2036), regs. 1, **24**)

[F23 Chargeable gains

Textual Amendments

F23 S. 931RA and cross-heading inserted (with effect in accordance with Sch. 3 paras. 5, 7 of the amending Act) by Finance (No. 3) Act 2010 (c. 33), **Sch. 3 para. 3(4)**

931RA Chargeable gains

The fact that a dividend or other distribution is exempt does not prevent it from being taken into account in the calculation of chargeable gains.**]**

Interpretation

931S Meaning of "small company"

(1) For the purposes of this Part a company is a "small company" in an accounting period if it is in that period a micro or small enterprise, as defined in the Annex to Commission Recommendation 2003/361/EC of 6 May 2003.

(2) But a company is not a "small company" in an accounting period if it is at any time in that period—

(a) an open-ended investment company,

(b) an authorised unit trust scheme,

(c) an insurance company, or

(d) a friendly society.

(3) In subsection (2)—

"open-ended investment company" has the meaning given by section 236 of FISMA 2000;

"authorised unit trust scheme" means a unit trust scheme (within the meaning given by section 237 of FISMA 2000) in relation to which a order under section 243 of that Act (authorisation orders) is in force;

"insurance company" has the meaning given by **[**F24 section 65 of FA 2012**]**;

"friendly society" has the meaning given by **[**F25 section 172 of FA 2012**]**.

Textual Amendments

F24 Words in s. 931S(3) substituted (17.7.2012) by Finance Act 2012 (c. 14), **Sch. 16 para. 183**

F25 Words in s. 931S(3) substituted (17.7.2012) by Finance Act 2012 (c. 14), **Sch. 18 para. 22**

931T Meaning of "payer", "recipient" and "relevant person"

In this Part—

"the payer", in relation to a distribution, means the company that makes the distribution;

"the recipient", in relation to a distribution, means the company that receives the distribution;

"a relevant person", in relation to a distribution, means—

(a) the company that receives the distribution, or

(b) any person connected with that company.

931U Meaning of "ordinary share" and "redeemable"

(1) In this Part "ordinary share" means a share that does not carry any present or future preferential right to dividends or to a company's assets on its winding up.

(2) A share is regarded as "redeemable" for the purposes of this Part only if it is redeemable as a result of its terms of issue (or any collateral arrangements)—

(a) requiring redemption,

(b) entitling the holder to require redemption, or

(c) entitling the issuing company to redeem.

931V Meaning of "scheme" and "tax advantage scheme"

(") For the purposes of this Part—

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

"tax advantage scheme" means a scheme the main purpose, or one of the main purposes, of which is to obtain a tax advantage (other than a negligible tax advantage).

(2) In this section "tax advantage" has the meaning given by **[**[F26]section 1139 of CTA 2010**]**.

Textual Amendments

F26 Words in s. 931V(2) substituted (with effect in accordance with s. 1184(1) of the amending Act) by Corporation Tax Act 2010 (c. 4), s. 1184(1), **Sch. 1 para. 661** (with Sch. 2)

Boundary provisions]

931W Provisions which must be given priority over this Part

(1) Any income so far as it falls within—

(a) this Part, and

(b) Chapter 2 of Part 3 (income taxed as trade profits),

is dealt with under Part 3.

(2) Any income so far as it falls within—

(a) this Part, and

(b) Chapter 3 of Part 4 (profits of property businesses) so far as the Chapter relates to a UK property business,

is dealt with under Part 4.

[F27](3) . . . .

Textual Amendments

F27 S. 931W(3) omitted (17.7.2012) by virtue of Finance Act 2012 (c. 14), **Sch. 16 para. 184**

Status:
Point in time view as at 01/09/2013.

Changes to legislation:
Corporation Tax Act 2009, Part 9A is up to date with all changes known to be in force on or before 22 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.