



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 3

#### TRADING INCOME

### CHAPTER 9

#### TRADE PROFITS: OTHER SPECIFIC TRADES

##### *Industrial and provident societies*

#### **132 Dividends etc granted by industrial and provident societies**

- (1) This section applies if a trade is carried on by a registered industrial and provident society and—
  - (a) the society does not sell to persons who are not its members, or
  - (b) the number of shares in the society is not limited by the society's rules or practice.
- (2) In calculating the profits of the trade, a deduction is allowed for sums which meet conditions A and B.
- (3) Condition A is that—
  - (a) the sum represents a discount, rebate, dividend or bonus granted by the society to a member or other person (“the recipient”),
  - (b) the discount, rebate, dividend or bonus is in respect of—
    - (i) amounts paid or payable by the recipient, or
    - (ii) amounts paid or payable to the recipient,on account of the recipient's transactions with the society, and
  - (c) those transactions are taken into account in calculating the society's profits chargeable under this Part.

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*Status: Point in time view as at 01/04/2010. This version of this provision has been superseded.*

*Changes to legislation: Corporation Tax Act 2009, Section 132 is up to date with all changes known to be in force on or before 26 July 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. (See end of Document for details)*

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- (4) Condition B is that the sum mentioned in subsection (2) is calculated by reference to—
- (a) the amounts paid or payable by or to the recipient, or
  - (b) the size of the transactions,
- and not by reference to the amount of any share or interest in the capital of the society.
- (5) See also [<sup>F1</sup>section 1056 of CTA 2010] (dividend or bonus to which this section applies is not treated as a distribution).

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**Textual Amendments**

- F1** Words in s. 132(5) 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. 598** (with Sch. 2)

**Status:**

Point in time view as at 01/04/2010. This version of this provision has been superseded.

**Changes to legislation:**

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