



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 5

#### LOAN RELATIONSHIPS

#### CHAPTER 3

##### THE CREDITS AND DEBITS TO BE BROUGHT INTO ACCOUNT: GENERAL

##### *Amounts recognised in determining a company's profit or loss*

#### **311 Amounts not fully recognised for accounting purposes: introduction**

- (1) Section 312 applies for the purpose of determining the credits and debits which a company is to bring into account for a period for the purposes of this Part in the following case.
- (2) The case is where—
  - (a) the company is, or is treated as, a party to a creditor relationship in the period, [<sup>F1</sup>and]
  - [<sup>F2</sup>(b) as a result of tax avoidance arrangements to which the company is at any time a party, an amount is (in accordance with generally accepted accounting practice) not fully recognised for the period in respect of the creditor relationship.]

<sup>F3</sup>(3) .....

<sup>F3</sup>(4) .....

<sup>F3</sup>(4A) .....

<sup>F3</sup>(4B) .....

<sup>F3</sup>(5) .....

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*Changes to legislation: Corporation Tax Act 2009, Section 311 is up to date with all changes known to be in force on or before 26 June 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) View outstanding changes*

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<sup>F3</sup>(5A) .....

- (6) For the purposes of this section [<sup>F4</sup>and section 312] an amount is not fully recognised for a period in respect of a relationship of a company <sup>F5</sup>... if—
- (a) no amount in respect of the relationship <sup>F6</sup>... is recognised in determining its profit or loss for the period, or
  - (b) an amount is so recognised in respect of only part of the relationship <sup>F7</sup>....

[<sup>F8</sup>(7) For the purposes of this section arrangements are “tax avoidance arrangements” if the main purpose, or one of the main purposes, of any party to the arrangements, in entering into them, is to obtain a tax advantage.

(8) In subsection (7) “arrangements” includes any arrangements, scheme or understanding of any kind, whether or not legally enforceable, involving a single transaction or two or more transactions.

(9) For the purposes of this section a company is to be treated as a party to a creditor relationship even though it has disposed of its rights under the relationship to another person—

- (a) under a repo or stock lending arrangement, or
- (b) under a transaction which is treated as not involving any disposal as a result of section 26 of TCGA 1992 (mortgages and charges not to be treated as disposals).]

#### Textual Amendments

- F1** Word in s. 311(2)(a) inserted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(2\)\(a\)](#)
- F2** S. 311(2)(b) substituted (19.7.2011) for s. 311(2)(b)(c) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(2\)\(b\)](#)
- F3** S. 311(3)-(5A) omitted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(3\)](#)
- F4** Words in s. 311(6) inserted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(4\)\(a\)\(i\)](#)
- F5** Words in s. 311(6) omitted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(4\)\(a\)\(ii\)](#)
- F6** Word in s. 311(6)(a) omitted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(4\)\(b\)](#)
- F7** Word in s. 311(6)(b) omitted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by virtue of [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(4\)\(b\)](#)
- F8** S. 311(7)-(9) inserted (19.7.2011) (with effect in accordance with Sch. 4 para. 13 of the amending Act) by [Finance Act 2011 \(c. 11\)](#), [Sch. 4 para. 2\(5\)](#)

**Changes to legislation:**

Corporation Tax Act 2009, Section 311 is up to date with all changes known to be in force on or before 26 June 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.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)