



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 5

#### LOAN RELATIONSHIPS

### CHAPTER 8

#### CONNECTED PARTIES RELATIONSHIPS: LATE INTEREST

#### **379 Persons indirectly standing in the position of creditor**

- (1) For the purposes of this Chapter a person is treated as standing in the position of a creditor as respects a loan relationship if the person indirectly stands in that position by reference to a series of loan relationships or relevant money debts.
- (2) If—
  - (a) a person (“C”) indirectly stands in the position of creditor as respects a loan relationship by reference to such a series of relationships or debts, and
  - (b) section 373 (late interest treated as not accruing until paid in some cases) applies in relation to the debtor relationship because of subsection (1),the reference in section 373(3) to the corresponding creditor relationship is a reference to C’s creditor relationship.
- (3) In subsection (1) “relevant money debt” means a money debt which would be a loan relationship if a company directly stood in the position of creditor or debtor.