



Corporation Tax Act 2009

2009 CHAPTER 4

PART 6

RELATIONSHIPS TREATED AS LOAN RELATIONSHIPS ETC

CHAPTER 7

SHARES WITH GUARANTEED RETURNS ETC

Application of Part 5 to certain shares as rights under creditor relationship

522 Introduction to Chapter

- (1) This Chapter contains rules for Part 5 to apply in some cases as if at some times in the accounting period of a company (“A”) which holds certain kinds of shares in another company (“B”) the shares were rights under a creditor relationship of A.
- (2) See, in particular—
 - (a) section 523 (application of Part 5 to some shares as rights under creditor relationship), and
 - (b) sections 524 and 526 (which describe the two kinds of shares to which the rules apply: shares subject to outstanding third party obligations and non-qualifying shares).
- (3) In this Chapter references to the investing company are to A and references to the issuing company are to B.
- (4) For the purposes of this Chapter a company is treated as continuing to hold a share even though the share has been transferred 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).

Status: Point in time view as at 01/04/2009. This version of this provision has been superseded.

Changes to legislation: Corporation Tax Act 2009, Section 522 is up to date with all changes known to be in force on or before 30 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)

- (5) But subsection (4) does not apply for the purposes of section 535 (shares ceasing to be shares to which section 523 applies).
- (6) For the purposes of this Chapter, the definition of “share” in section 476(1) only applies so far as it provides that “share” does not include a share in a building society.
- (7) See section 116B of TCGA 1992 for the effect for the purposes of that Act of shares beginning or ceasing to be shares to which section 523 applies.

Status:

Point in time view as at 01/04/2009. This version of this provision has been superseded.

Changes to legislation:

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