



Corporation Tax Act 2009

2009 CHAPTER 4

PART 7

DERIVATIVE CONTRACTS

CHAPTER 5

CONTINUITY OF TREATMENT ON TRANSFERS WITHIN GROUPS

Transferee leaving group after replacing transferor as party to derivative contract

631 Transferee leaving group otherwise than because of exempt distribution

- (1) This section applies if—
- (a) the transferee ceases to be a member of the relevant group, and
 - (b) it does not so cease just because of a distribution which is exempt [^{F1}as a result of section 1075 of CTA 2010 (exempt distributions)].
- (2) ^{F2}... This Part applies as if—
- (a) the transferee had assigned its rights and liabilities under the relevant derivative contract immediately before so ceasing,
 - (b) the assignment had been for consideration of an amount equal to their fair value at that time, and
 - (c) the transferee had immediately reacquired them for consideration of the same amount.

^{F3}(3)

^{F3}(4)

Changes to legislation: Corporation Tax Act 2009, Section 631 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

Textual Amendments

- F1** Words in s. 631(1) 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. 640** (with **Sch. 2**)
- F2** Words in s. 631(2) omitted (with effect in accordance with s. 28(4) of the amending Act) by virtue of Finance Act 2014 (c. 26), **s. 28(3)(a)**
- F3** S. 631(3)(4) omitted (with effect in accordance with s. 28(4) of the amending Act) by virtue of Finance Act 2014 (c. 26), **s. 28(3)(b)**

Modifications etc. (not altering text)

- C1** S. 631 excluded (with effect in accordance with reg. 1(2) of the amending S.I.) by Mutual Societies (Transfers of Business) (Tax) Regulations 2009 (S.I. 2009/2971), regs. 1(1), **25(3)(c)** (with reg. 25(6))
- C2** S. 631 applied (with effect in accordance with reg. 1(2) of the amending S.I.) by Mutual Societies (Transfers of Business) (Tax) Regulations 2009 (S.I. 2009/2971), regs. 1(1), **25(5)(b)** (with reg. 25(6))

Changes to legislation:

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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\(3\)](#)