



# Corporation Tax Act 2009

## 2009 CHAPTER 4

### PART 8

#### INTANGIBLE FIXED ASSETS

#### CHAPTER 11

#### TRANSFER OF BUSINESS OR TRADE

#### *Tax-neutral transfers*

### **818 Company reconstruction involving transfer of business**

- (1) This section applies if—
- (a) a scheme of reconstruction involves the transfer of the whole or part of the business of one company (“the transferor”) to another company (“the transferee”), and
  - (b) the transferor receives no part of the consideration for the transfer (otherwise than by the transferee taking over the whole or part of the liabilities of the business),
- but see subsections (3) to (5).
- (2) If the transfer includes intangible fixed assets that—
- (a) are chargeable intangible assets in relation to the transferor immediately before the transfer, and
  - (b) are chargeable intangible assets in relation to the transferee immediately after the transfer,
- the transfer of those assets is tax-neutral for the purposes of this Part.
- (3) This section does not apply if the transfer is one to which section 775 (transfers within a group) applies.

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**Changes to legislation:** Corporation Tax Act 2009, Section 818 is up to date with all changes known to be in force on or before 01 August 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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- (4) This section does not apply if the transferor or the transferee is—
- (a) a qualifying society within the meaning of section 461A of ICTA (incorporated friendly societies entitled to exemption from tax), or
  - (b) a dual resident investing company within the meaning of [<sup>F1</sup>section 949 of CTA 2010 (dual resident investing companies)].
- (5) This section applies only if the reconstruction meets the genuine commercial transaction requirement (see section 831).
- (6) In this section “scheme of reconstruction” has the same meaning as it has in section 136 of TCGA.

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#### Textual Amendments

- F1** Words in s. 818(4)(b) 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. 655** (with Sch. 2)

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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\(3\)](#)