

SCHEDULES

SCHEDULE 5

AMOUNTS NOT FULLY RECOGNISED FOR ACCOUNTING PURPOSES

Amendments of sections 311, 312 and 599A of CTA 2009

- 1 (1) Section 311 of CTA 2009 (loan relationships: amounts not fully recognised for accounting purposes) is amended as follows.
 - (2) In subsection (2)—
 - (a) in paragraph (b), for “or C” substitute “, C or D”, and
 - (b) in paragraph (c), for “or securities” substitute “, securities or relevant interest”.
 - (3) In subsection (3)(a), for “the period” substitute “any period”.
 - (4) In subsection (4)(a)—
 - (a) for “has at any time been” substitute “is at any time”, and
 - (b) for “the period” substitute “any period”.
 - (5) In subsection (4A)(a)—
 - (a) for “has issued” substitute “at any time issues”, and
 - (b) for “the period” substitute “any period”.
 - (6) After subsection (4A) insert—

“(4B) Condition D is that, at any time—

 - (a) the company acquires a relevant interest in another company, a firm or a trust, or
 - (b) an existing relevant interest of the company in another company, a firm or a trust is varied.”
 - (7) In subsection (5), omit “for the period”.
 - (8) After subsection (5) insert—

“(5A) In this section—

 - (a) a reference to a relevant interest in a company is to an interest in the company’s shares or other capital,
 - (b) a reference to a relevant interest in a firm is to an entitlement to share in the profits or capital of the firm, and
 - (c) a reference to a relevant interest in a trust is to an interest under the trust in any property subject to the trust.”