



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 13

#### OTHER SPECIAL TYPES OF COMPANY ETC

### CHAPTER 8

#### SELF-BUILD SOCIETIES

#### **650 Meaning of “self-build society”**

- (1) Subsections (2) and (3) give the meaning of “self-build society” in this Chapter.
- (2) In England, Scotland and Wales “self-build society” has the same meaning as in the Housing Associations Act 1985 (see section 1(3) of that Act).
- (3) In Northern Ireland “self-build society” has the same meaning as in Part 2 of the Housing (Northern Ireland) Order 1992 (S.I. 1725 (N.I. 15)) (see Article 3 of that Order).

#### **651 Disregard of rent from members**

- (1) If a self-build society makes a claim under this section for an accounting period or part of an accounting period during which the society was approved for the purposes of this Chapter, rent to which the society was entitled from its members for the accounting period or part of an accounting period is ignored for tax purposes.
- (2) In this section “rent” includes any amounts to which a self-build society is entitled in respect of the occupation of any of its land.
- (3) The reference in subsection (2) to occupation includes occupation under a licence.

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## 652 Exemption for gains on disposals of land to members

- (1) This section applies if—
- (a) chargeable gains accrue to a self-build society on a disposal of land to a member of the society,
  - (b) the gains accrue in an accounting period or part of an accounting period during which the society was approved for the purposes of this Chapter, and
  - (c) the society makes a claim under this section for that period or part of a period.
- (2) No liability to corporation tax arises in respect of the gains.

## 653 Approval of self-build societies

- (1) The power to approve self-build societies for the purposes of this Chapter is exercisable—
- (a) in relation to England and Scotland, by the Secretary of State,
  - (b) in relation to Wales, by the Welsh Ministers, and
  - (c) in relation to Northern Ireland, by the Department for Social Development.
- (2) The authority mentioned in subsection (1) must not approve a self-build society unless it is satisfied that the society—
- (a) is registered, or treated as being registered, as mentioned in subsection (3),
  - (b) satisfies any other requirements prescribed by or under regulations under section 657, and
  - (c) will comply with any conditions that may be prescribed by or under regulations under that section.
- (3) The reference in subsection (2)(a) is to registration—
- (a) under [<sup>F1</sup>the Co-operative and Community Benefit Societies Act 2014] (if the power is exercisable by the Secretary of State or the Welsh Ministers), or
  - (b) under the Industrial and Provident Societies Act (Northern Ireland) 1969 (c. 24 (N.I.)) (if the power is exercisable by the Department for Social Development).
- (4) An approval given for the purposes of this Chapter—
- (a) has effect from the date specified by the approving authority (which may be earlier or later than the date on which the approval is given), and
  - (b) may be revoked by the approving authority.
- (5) See also paragraph 81 of Schedule 2 (concurrent exercise by the Secretary of State of certain functions exercisable by the Welsh Ministers).

### Textual Amendments

**F1** Words in s. 653(3)(a) substituted (1.8.2014) by [Co-operative and Community Benefit Societies Act 2014 \(c. 14\), s. 154, Sch. 4 para. 161](#) (with Sch. 5)

## 654 Delegation of powers to the Regulator of Social Housing

- (1) The Secretary of State may delegate to the Regulator of Social Housing any function of the Secretary of State under section 653 in a case where the function is exercisable

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in relation to a society whose registered office for the purposes of [F2the Co-operative and Community Benefit Societies Act 2014] is in England.

- (2) The function may be delegated—
- (a) to any extent that the Secretary of State specifies, and
  - (b) subject to any conditions that the Secretary of State specifies.

#### Textual Amendments

**F2** Words in s. 654(1) substituted (1.8.2014) by [Co-operative and Community Benefit Societies Act 2014 \(c. 14\)](#), s. 154, [Sch. 4 para. 162](#) (with [Sch. 5](#))

### 655 Claims under section 651 or 652

- (1) A claim under section 651 or 652 must be made—
- (a) within two years after the end of the accounting period to which it relates, or
  - (b) if it relates to part of an accounting period, within two years after the end of that accounting period.
- (2) A self-build society must not make a claim under section 651 or 652 for an accounting period or part of an accounting period unless—
- (a) the requirements in subsection (3) were complied with during that period or part, or
  - (b) the society reasonably considers that those requirements were substantially complied with during that period or part.
- (3) The requirements are that—
- (a) only persons who were then members of the society occupied (whether solely or jointly with another person) any land, or any part of any land, owned by the society,
  - (b) the society complied with the requirement in section 653(2)(a), and
  - (c) the society complied with any conditions that were in force by virtue of section 653(2)(c).
- (4) If a member of a self-build society dies and another person occupies a property, or part of a property, in accordance with the member's will or the provisions applicable on the member's intestacy, that person's occupation during the first 6 months after the death does not infringe the requirement in subsection (3)(a).
- (5) A claim under section 651 or 652 must be in the form (if any) prescribed by the Commissioners for Her Majesty's Revenue and Customs and contain any details which they prescribe.

### 656 Adjustments of liability

- (1) If an adjustment of a self-build society's liability to corporation tax is necessary as a result of a claim under section 651, the adjustment may be made by an assessment, by repayment of tax or otherwise.
- (2) A self-build society's liability to corporation tax may be adjusted by means of assessments or otherwise if—

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- (a) a claim by the society under section 651 or 652 is included in a company tax return,
  - (b) an enquiry is made into the tax return, and
  - (c) an amendment is made to the tax return as a result of the enquiry.
- (3) A self-build society's liability to corporation tax may be adjusted by means of assessments or otherwise if—
- (a) an enquiry is made under paragraph 5 of Schedule 1A to TMA 1970 into a claim made by the society under section 651 or 652, or into an amendment of such a claim, and
  - (b) an amendment is made to the claim as a result of the enquiry.
- (4) Adjustments under subsection (2) or (3) may be made for all relevant accounting periods.

**657 Power to make further provision**

- (1) The Secretary of State may by statutory instrument make regulations with respect to England and Scotland for the purpose of carrying out the provisions of this Chapter.
- (2) A statutory instrument containing regulations made under subsection (1) is subject to annulment in pursuance of a resolution of the House of Commons.
- (3) The Welsh Ministers may by statutory instrument make regulations with respect to Wales for the purpose of carrying out the provisions of this Chapter.
- (4) A statutory instrument containing regulations made under subsection (3) is subject to annulment in pursuance of a resolution of the National Assembly for Wales.
- (5) The Department for Social Development may make regulations with respect to Northern Ireland for the purpose of carrying out the provisions of this Chapter.
- (6) Regulations made under subsection (5) are a statutory rule for the purposes of the Statutory Rules (Northern Ireland) Order 1979 (S.I. 1979/1573 (N.I. 12)).
- (7) A statutory rule containing regulations made under subsection (5) is subject to negative resolution within the meaning of section 41(6) of the Interpretation Act (Northern Ireland) 1954 (c. 33 (N.I.)).

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