



Corporation Tax Act 2010

2010 CHAPTER 4

PART 9

LEASING PLANT OR MACHINERY

CHAPTER 3

SALES OF LESSORS: LEASING BUSINESS CARRIED ON BY A COMPANY ALONE

“Associated company”

408 “Associated company”

- (1) This section gives the meaning of “ associated company ” for the purposes of this Chapter.
- (2) References to an associated company in any provision other than subsection (6)(b) are to a company which is an associated company of the company that is the relevant company for the purposes of that provision on the day that is the relevant day for those purposes.
- (3) A company is an “associated company” of another company on any day if, at the start of that day—
 - (a) one of the two has control of the other, or
 - (b) both are under the control of the same person or persons,
- (4) Section 450 (meaning of “ control ” for the purposes of Part 10 (close companies)) applies for the purposes of subsection (3).
- (5) Subsection (6) applies if at the start of any day a company (“the consortium company”)—
 - (a) is owned by a consortium, or
 - (b) is a qualifying [^{F1}75%] subsidiary of a company owned by a consortium.

Changes to legislation: *Corporation Tax Act 2010, Section 408 is up to date with all changes known to be in force on or before 22 July 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*

- (6) On that day the following companies are also associated companies of the consortium company—
- (a) any relevant member of the consortium on that day, and
 - (b) any company which is an associated company of any relevant member of the consortium on that day.
- (7) For the purposes of subsection (6) a member of the consortium is a “relevant” member on any day if—
- (a) it is a member of the consortium at the start of the day,
 - (b) one or more qualifying changes of ownership occur in relation to the consortium company on that day, and
 - (c) any of those changes occur in a case where the member of the consortium is regarded as “ E ” for the purposes of section 394 (consortium relationships).

Textual Amendments

- F1** Figure in s. 408(5)(b) substituted (with effect in accordance with s. 29(8) of the amending Act) by [Finance Act 2010 \(c. 13\), s. 29\(6\)](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 357CHA omitted by [2024 c. 3 Sch. 2 para. 14\(7\)](#)
- s. 658(1)(d)(e) inserted by [2010 c. 13 Sch. 6 para. 31](#) (This amendment not applied to [legislation.gov.uk](#). Sch. 6 para. 31 omitted (retrospective to 6.4.2010) by virtue of Finance Act 2012 (c. 14), s. 52(2) (3))