



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 9

#### LEASING PLANT OR MACHINERY

### CHAPTER 5

#### SALES OF LESSORS: ANTI-AVOIDANCE PROVISIONS

#### **432 Restrictions on relief for Chapter 3 or 4 expenses: introduction**

- (1) Section 433 applies if—
  - (a) a company is treated as incurring an expense under any provision of Chapter 3 or 4,
  - (b) the expense arises directly or indirectly in consequence of, or otherwise in connection with, any arrangements,
  - (c) the main purpose, or one of the main purposes, of the arrangements is to secure that the company is treated as incurring the expense, and
  - (d) the company makes a loss that wholly or partly derives from the expense.
- (2) The restrictions in section 433 apply in respect of so much of the loss as derives from the expense (in that section referred to as “the restricted loss amount”).
- (3) For the purpose of determining how much of a loss derives from the expense, the loss is to be calculated on the basis that the expense is the final amount to be deducted.
- (4) In this section “arrangements” includes any agreement, understanding, scheme, transaction or series of transactions—
  - (a) whether or not legally enforceable, and
  - (b) whether or not the company is a party to the arrangements.

**Status:**

Point in time view as at 01/04/2010. This version of this provision has been superseded.

**Changes to legislation:**

Corporation Tax Act 2010, Section 432 is up to date with all changes known to be in force on or before 22 September 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.