



# Corporation Tax Act 2010

## 2010 CHAPTER 4

### PART 22

#### MISCELLANEOUS PROVISIONS

### CHAPTER 9

#### OTHER MISCELLANEOUS PROVISIONS

*[<sup>F1</sup>UK Economic Interest Groupings and] European Economic Interest Groupings*

#### **990 [<sup>F1</sup>UK Economic Interest Groupings and] European Economic Interest Groupings**

- (1) The following rules about [<sup>F2</sup>UK Economic Interest Groupings and] European Economic Interest Groupings apply for the purposes of charging corporation tax in respect of income—

*Rule 1*

A grouping is treated as acting as the agent of its members.

*Rule 2*

The activities of a grouping are treated as those of its members acting jointly.

*Rule 3*

Each member of a grouping is treated as having a share of the grouping's property, rights and liabilities.

*Rule 4*

Any trade carried on by the grouping is treated as carried on in partnership by the members of the grouping.

*Status: Point in time view as at 31/12/2020.*

*Changes to legislation: Corporation Tax Act 2010, Section 990 is up to date with all changes known to be in force on or before 22 June 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)*

- (2) For the purposes of Rule 3, a member's share of any property, rights or liabilities of a grouping is determined in accordance with the contract under which the grouping is established.
- (3) If the contract does not provide for this, the member's share is determined by reference to the share of the profits of the grouping to which the member is entitled under the contract.
- (4) If the contract does not provide for this either, the members are treated as having equal shares of the property, rights and liabilities of the grouping.
- (5) Part 5 of CTA 2009 (loan relationships) applies in relation to a grouping as it applies in relation to a firm.
- (6) For the purposes of subsection (5) see in particular the following provisions of Part 5 of CTA 2009—
  - Chapter 9 (partnerships involving companies),
  - section 467 (connections where partnerships involved),
  - section 472 (meaning of “control”), and
  - sections 473 and 474 (meaning of “major interest” etc).
- [<sup>F3</sup>(7) “European Economic Interest Grouping” means a grouping registered in a member State and formed in pursuance of [Council Regulation \(EEC\) No. 2137/85](#) of 25 July 1985 on the European Economic Interest Grouping as it has effect in EU law.]

#### Textual Amendments

- F1** Words in s. 990 heading inserted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, **17(11)(a)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)
- F2** Words in s. 990(1) inserted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, **17(11)(b)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)
- F3** S. 990(7) substituted (31.12.2020) by [The Taxes \(Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/689\)](#), regs. 1, **17(11)(c)** (with regs. 39-41); 2020 c. 1, Sch. 5 para. 1(1)

**Status:**

Point in time view as at 31/12/2020.

**Changes to legislation:**

Corporation Tax Act 2010, Section 990 is up to date with all changes known to be in force on or before 22 June 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.