



Taxation (International and Other Provisions) Act 2010

2010 CHAPTER 8

[^{F1}PART 10]

[^{F1}CORPORATE INTEREST RESTRICTION]

[^{F1}CHAPTER 9

CASES INVOLVING PARTICULAR TYPES OF COMPANY OR BUSINESS

Banking companies

[^{F1}450 Banking companies

- (1) This section applies in relation to a banking company carrying on a trade so far as the activities of the trade consist of or include dealing in financial instruments.
- (2) For the purposes of section 382 an amount is treated as meeting condition A, B or C if it is a debit arising directly from dealing in financial instruments other than one in respect of an impairment loss.
- (3) An amount—
 - (a) which is treated as meeting condition A, B or C for the purposes of section 382 as a result of subsection (2) of this section, and
 - (b) which, but for that subsection, would not be a tax-interest expense amount, is to be left out of account, or brought into account, as a result of section 377(2) or 380(2) after the second but before the third kind of tax-interest expense amounts mentioned there.

Changes to legislation: There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 450. (See end of Document for details)

- (4) For the purposes of section 385 an amount is treated as meeting condition A, B, C or D if it is a credit arising directly from dealing in financial instruments other than one in respect of the reversal of an impairment loss.
- (5) In determining a relevant expense amount under section 411 in the case of the company, that section has effect as if it also included a reference to losses arising directly from dealing in financial instruments other than impairment losses.
- (6) In determining a relevant income amount under section 411 in the case of the company, that section has effect as if it also included gains arising directly from dealing in financial instruments other than the reversal of impairment losses.
- (7) In this section—
 “banking company” has the same meaning as in Part 7A of CTA 2010 (see sections 269B to 269BD), and
 “financial instruments” includes—
 (a) loan relationships,
 (b) derivative contracts, and
 (c) shares or other securities.]

Textual Amendments

- F1** Pt. 10: the existing Pt. 10 renumbered as Pt. 11 (except for ss. 375, 376 which are repealed), the existing ss. 372-374, 377-382 renumbered as ss. 499-507 and a new Pt. 10 (ss. 372-498) inserted (with effect in accordance with Sch. 5 para. 25(1)-(3) of the amending Act) by Finance (No. 2) Act 2017 (c. 32), Sch. 5 para. 1, **10(1)(2)(a)(3)** (with Sch. 5 paras. 27, 32-34)

Changes to legislation:

There are currently no known outstanding effects for the Taxation (International and Other Provisions) Act 2010, Section 450.