

Status: Point in time view as at 19/07/2011.

Changes to legislation: Finance Act 2011, Paragraph 7 is up to date with all changes known to be in force on or before 15 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)

SCHEDULES

SCHEDULE 10 **U.K.**

COMPANY CEASING TO BE MEMBER OF GROUP

Intangible fixed assets: degrouping

- 7 (1) Part 8 of CTA 2009 (intangible fixed assets) is amended as follows.
- (2) In section 780 (deemed realisation and reacquisition at market value), in subsection (5)(b) before “associated” insert “certain”.
- (3) In section 783 (associated companies leaving group at same time), for subsection (1) substitute—
- “(1) Where two companies cease to be members of a group at the same time, section 780 does not apply in relation to a transfer by one of the companies to the other if condition A or B is met.
- (1A) Condition A is that the companies—
- (a) are both 75% subsidiaries and effective 51% subsidiaries of another company on the date of the transfer, and
- (b) remain both 75% subsidiaries and effective 51% subsidiaries of that other company until immediately after they cease to be members of the group.
- (1B) Condition B is that one of the companies—
- (a) is both a 75% subsidiary and an effective 51% subsidiary of the other on the date of the transfer, and
- (b) remains both a 75% subsidiary and an effective 51% subsidiary of the other until immediately after the companies cease to be members of the group.”, and, in the section heading, for “Associated” substitute “Certain associated”.
- (4) In section 788 (provisions supplementing provisions about degrouping), for subsection (3) substitute—
- “(3) For the purposes of those sections and this section two companies are associated with each other if one is a 75% subsidiary of the other or both are 75% subsidiaries of another company.”

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