



Finance (No. 2) Act 2015

2015 CHAPTER 33

PART 4

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

Income tax and corporation tax

42 Transfer of intangible assets not at arm's length

- (1) In section 846 of CTA 2009 (transfers of intangible assets not at arm's length), after subsection (1) insert—

“(1A) Subsection (1B) applies in relation to the transfer of an intangible asset where—

- (a) by virtue of subsection (1), section 845 does not apply, and
- (b) the market value of the asset is greater than the Part 4 TIOPA amount.

(1B) An amount equal to the market value of the asset less the Part 4 TIOPA amount is to be brought into account for the purposes of corporation tax in relation to the transfer (in addition to the Part 4 TIOPA amount).

(1C) In subsections (1A) and (1B)—

“market value”, in relation to an asset, has the meaning given in section 845(5);

“Part 4 TIOPA amount” means the amount which, following the application of Part 4 of TIOPA 2010 in relation to the consideration for the transfer, is brought into account in respect of the consideration for the purposes of corporation tax.”

- (2) The amendment made by this section applies in relation to a transfer which takes place on or after 8 July 2015, unless it takes place pursuant to an obligation, under a contract, that was unconditional before that date.

Status: This is the original version (as it was originally enacted).

- (3) For the purposes of subsection (2), an obligation is “unconditional” if it may not be varied or extinguished by the exercise of a right (whether under the contract or otherwise).