



# Finance Act 2019

## CHAPTER 1

### FINANCE ACT 2019

#### PART 1

##### DIRECT TAXES

###### *Charge to tax*

- 1 Income tax charge for tax year 2019-20
- 2 Corporation tax charge for financial year 2020

###### *Income tax rates, allowances and limits*

- 3 Main rates of income tax for tax year 2019-20
- 4 Default and savings rates of income tax for tax year 2019-20
- 5 Basic rate limit and personal allowance
- 6 Starting rate limit for savings for tax year 2019-20

###### *Employment and social security income*

- 7 Optional remuneration arrangements: arrangements for cars and vans
- 8 Exemption for benefit in form of vehicle-battery charging at workplace
- 9 Exemptions relating to emergency vehicles
- 10 Exemption for expenses related to travel
- 11 Beneficiaries of tax-exempt employer-provided pension benefits
- 12 Tax treatment of social security income

###### *Chargeable gains: interests in UK land etc*

- 13 Disposals by non-UK residents etc
- 14 Disposals of UK land etc: payments on account of capital gains tax

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*International matters*

- 15 Offshore receipts in respect of intangible property
- 16 Avoidance involving profit fragmentation arrangements
- 17 Non-UK resident companies carrying on UK property businesses etc
- 18 Diverted profits tax
- 19 Hybrid and other mismatches: scope of Chapter 8 and “financial instrument”
- 20 Controlled foreign companies: finance company exemption and control
- 21 Permanent establishments: preparatory or auxiliary activities
- 22 Payment of CGT exit charges
- 23 Corporation tax exit charges
- 24 Group relief etc: meaning of “UK related” company

*Corporation tax: miscellaneous*

- 25 Intangible fixed assets: restrictions on goodwill and certain other assets
- 26 Intangible fixed assets: exceptions to degrouping charges etc
- 27 Corporation tax relief for carried-forward losses
- 28 Corporate interest restriction
- 29 Debtor relationships of company where money lent to connected companies

*Capital allowances*

- 30 Construction expenditure on buildings and structures
- 31 Special rate expenditure on plant and machinery
- 32 Temporary increase in annual investment allowance
- 33 First-year allowances and first-year tax credits
- 34 First-year allowance: expenditure on electric vehicle charge points
- 35 Qualifying expenditure: buildings, structures and land

*Leases*

- 36 Changes to accounting standards etc

*Oil activities and petroleum revenue tax*

- 37 Oil activities: transferable tax history
- 38 Petroleum revenue tax: post-transfer decommissioning expenditure

*Miscellaneous reliefs*

- 39 Entrepreneurs’ relief
- 40 Gift aid etc: restrictions on associated benefits
- 41 Charities: exemption for small trades etc

**PART 2**

**OTHER TAXES**

*Stamp duty land tax*

- 42 Relief for first-time buyers in cases of shared ownership
- 43 Repayment to first-time buyers in cases of shared ownership
- 44 Higher rates of tax for additional dwellings etc
- 45 Exemption in respect of financial institutions in resolution

46 Changes to periods for delivering returns and paying tax

*Stamp duty and SDRT*

- 47 Stamp duty: transfers of listed securities and connected persons
- 48 SDRT: listed securities and connected persons
- 49 Stamp duty: exemption in respect of financial institutions in resolution
- 50 Stamp duty and SDRT: exemptions in respect of share incentive plans

*Value added tax*

- 51 Duty of customers to account for tax on supplies
- 52 Treatment of vouchers
- 53 Groups: eligibility

*Alcohol*

- 54 Rates of duty on cider, wine and made-wine
- 55 Excise duty on mid-strength cider

*Tobacco*

- 56 Rates
- 57 Tobacco for heating

*Vehicle duties*

- 58 VED: rates for light passenger vehicles, light goods vehicles, motorcycles etc
- 59 VED: taxis capable of zero emissions
- 60 HGV road user levy

*Air passenger duty*

- 61 Rates of duty from 1 April 2020

*Gaming*

- 62 Remote gaming duty: rate
- 63 Gaming duty

*Environmental taxes*

- 64 Climate change levy: exemption for mineralogical and metallurgical processes
- 65 Landfill tax rates

*Inheritance tax*

- 66 Residence nil-rate band

*Soft drinks industry levy*

- 67 Application of penalty provisions
- 68 Isle of Man

**PART 3**

**CARBON EMISSIONS TAX**

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*Introductory*

69 Carbon emissions tax

*Charge to tax*

70 Charge to carbon emissions tax  
71 “Reported carbon emissions”  
72 “Emissions report” and “reporting period”  
73 “Emissions allowance”  
74 Liability to pay carbon emissions tax

*Administration etc.*

75 Power to make further provision about carbon emissions tax  
76 Consequential provision

*General*

77 Interpretation  
78 Regulations  
79 Commencement and transitional provision

**PART 4**

ADMINISTRATION AND ENFORCEMENT

*Time limits for assessments etc*

80 Offshore matters or transfers: income tax and capital gains tax  
81 Offshore matters or transfers: inheritance tax

*Security deposits*

82 Construction industry scheme and corporation tax etc

*International agreements*

83 Resolution of double taxation disputes  
84 International tax enforcement: disclosable arrangements

*Payment of unlawful advance corporation tax*

85 Interest in respect of unlawful ACT  
86 Section 85: supplementary

*Voluntary returns*

87 Voluntary returns

*Interest*

88 Interest under section 178 of FA 1989 and section 101 of FA 2009

**PART 5**

MISCELLANEOUS AND FINAL

*Regulatory capital securities*

89 Regulatory capital securities and hybrid capital instruments

*EU withdrawal*

90 Minor amendments in consequence of EU withdrawal

*Preparatory expenditure*

91 Emissions reduction trading scheme: preparatory expenditure

*Reviews*

92 Impact analyses of the anti-avoidance provisions of this Act

93 Review of effectiveness of provisions on tax avoidance

94 Review of public health effects of gaming provisions

95 Review of changes made by sections 80 and 81

*Other*

96 Interpretation

97 Short title

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SCHEDULES

SCHEDULE 1 — Chargeable gains accruing to non-residents etc

PART 1 — EXTENDING CASES IN WHICH NON-RESIDENTS ARE CHARGED TO  
TAX ETC

- 1 TCGA 1992 is amended as follows.
- 2 For the sections contained in Part 1 substitute— PART 1...
- 3 Omit sections 16ZB to 16ZD (losses of non-UK domiciled individuals)...
- 4 After section 36 insert— Re-basing for non-residents for UK land...
- 5 Omit Chapter 5 of Part 2 (computation of gains and...
- 6 Omit Chapter 6 of Part 2 (computation of gains and...
- 7 Omit Chapter 7 of Part 2 (computation of gains and...
- 8 After section 103DA insert— UK property rich collective investment vehicles...
- 9 After section 271 insert— Visiting forces and official agents etc...
- 10 Omit Schedule B1 (disposals of UK residential property interests).
- 11 Omit Schedule BA1 (disposals of non-UK residential property interests).
- 12 Omit Schedule C1 (section 14F: meaning of “closely-held company” and...
- 13 For Schedule 1 substitute— SCHEDULE 1 UK resident individuals not...
- 14 After Schedule 1 insert— SCHEDULE 1A Assets deriving 75% of...
- 15 After Schedule 1A insert— SCHEDULE 1B Residential property gains Meaning...
- 16 After Schedule 1B insert— SCHEDULE 1C Annual exempt amount in...
- 17 After Schedule 4 insert— SCHEDULE 4AA Re-basing for non-residents in...

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- 18 Omit Schedule 4ZZA (relevant high value disposals: gains and losses)...
- 19 Omit Schedule 4ZZB (non-resident CGT disposals: gains and losses).
- 20 Omit Schedule 4ZZC (disposals of residential property interests: gains and...
- 21 After Schedule 5A insert— SCHEDULE 5AAA UK property rich collective...
- PART 2 — CONSEQUENTIAL AMENDMENTS
- 22 TMA 1970
- 23 TCGA 1992
- 24 In section 16 (computation of losses), omit subsection (3).
- 25 (1) Section 25 (non-residents: deemed disposals) is amended as follows....
- 26 For section 25ZA substitute— Postponing gain or loss under section...
- 27 (1) Section 48A (unascertainable consideration) is amended as follows.
- 28 In section 59 (partnerships), in subsections (2)(b), (3) and (4),...
- 29 (1) Section 62 (death: general provisions) is amended as follows...
- 30 (1) Section 79B (attribution to trustees of gains of non-resident...
- 31 For section 80A substitute— Postponing gain or loss under section...
- 32 In section 85A (transfers of value: attribution of gains to...
- 33 (1) Section 86 (attribution of gains to settlors with interest...
- 34 (1) Section 86A (attribution of gains to settlor in section...
- 35 (1) Section 87 (non-UK resident settlements: attribution of gains to...
- 36 In section 87A (section 87: matching), for “the section 2(2)...
- 37 In section 87B (section 87: remittance basis), for subsection (2)...
- 38 In section 87J (relevant parts of payment from which onward...
- 39 In section 87N (sections 87 and 87A: disregard of payments...
- 40 In section 87P (sections 87 and 87A: temporary migration after...
- 41 In section 88 (gains of dual settlements), in subsections (2)...
- 42 In section 89 (migrant settlements, etc), in subsection (2), for...
- 43 In section 90 (sections 87 and 89(2): transfers between settlements),...
- 44 In section 91 (increase in tax payable under section 87...
- 45 In section 96 (payments by and to companies), in subsection...
- 46 Omit section 100A (exemption for certain EEA UCITS).
- 47 In section 103KC (carried interest: foreign chargeable gains), for “a...
- 48 In section 103KE (carried interest: avoidance of double taxation), in...
- 49 (1) Section 139 (reconstruction involving transfer of business) is amended...
- 50 In section 140A (transfer or division of UK business), in...
- 51 (1) Section 140E (merger leaving assets within UK tax charge)...
- 52 In section 159 (non-residents: roll-over relief), in subsection (4), for...
- 53 For section 159A substitute— Disposals of interests in UK land...
- 54 (1) Section 161 (appropriations to and from trading stock) is...
- 55 (1) Section 165 (relief for gifts of business assets) is...
- 56 (1) Section 167A (gifts of UK residential property interests to...
- 57 For section 168A substitute— Postponing held-over gain: interests in UK...
- 58 In section 169N (amount of entrepreneurs’ relief: general), in subsection...
- 59 In section 169VK (cap on investors’ relief for disposal by...
- 60 In section 169VL (cap on investors’ relief for disposal by...
- 61 (1) Section 171 (transfers within a group: general provisions) is...
- 62 In section 171A (election to reallocate gain or loss to...

- 63 In section 171B (election under section 171A: effect), in subsection...
- 64 In section 175 (replacement of business assets by members of...
- 65 (1) Section 179 (company ceasing to be member of group:...
- 66 Omit section 187A (deemed disposal under section 185: ATED-related gains...
- 67 For section 187B substitute— Postponing gain or loss under section...
- 68 Omit sections 188A to 188K (and the italic heading before...
- 69 (1) Section 190 (tax recoverable from another group company or...
- 70 (1) Section 199 (exploration or exploitation assets: deemed disposals) is...
- 71 In section 210A (insurance companies: ring-fencing of losses), in subsection...
- 72 In section 222A (determination of main residence: non-resident CGT disposals),...
- 73 (1) Section 222B (non-qualifying tax years) is amended as follows....
- 74 (1) Section 223 (amount of relief) is amended as follows....
- 75 In section 228 (conditions for relief: supplementary), in subsection (6),...
- 76 (1) Section 260 (gifts on which inheritance tax is chargeable...
- 77 (1) Section 261ZA (gifts of UK residential property interests to...
- 78 In section 261C (meaning of “the maximum amount” for purposes...
- 79 In section 261E (meaning of “the maximum amount” for purposes...
- 80 In section 263ZA (former employees: employment-related liabilities), in subsection (5)—...
- 81 In section 271B (branch or agency treated as UK representative),...
- 82 In section 279A (deferred unascertainable consideration: election for treatment of...
- 83 (1) Section 279B (provisions supplementary to section 279A) is amended...
- 84 (1) Section 279C (effect of election under section 279A) is...
- 85 (1) Section 279D (elections under section 279A) is amended as...
- 86 In section 287 (orders and regulations etc), in subsection (4),...
- 87 (1) Section 288 (interpretation) is amended as follows.
- 88 In Schedule 4A (disposal of interest in settled property etc),...
- 89 (1) Schedule 4C (transfers of value: attribution of gains to...
- 90 (1) Schedule 5 (attribution of gains to settlors with interest...
- 91 In Schedule 7A (restriction on set-off of pre-entry losses), in...
- 92 In Schedule 7AC (exemptions for disposals by companies with substantial...
- 93 In Schedule 7C (relief for transfers to Schedule 2 share...
- 94 IHTA 1984
- 95 In Schedule A1 (non-excluded overseas property), in paragraph 8(3)—
- 96 FA 2005
- 97 (1) Section 32 (non-UK resident vulnerable persons: amount of relief)...
- 98 (1) Schedule 1 (non-UK resident vulnerable persons: interpretation) is amended...
- 99 ITA 2007
- 100 In section 641 (accrued income profits and losses: trustees of...
- 101 In section 643 (accrued income profits and losses: non-residents), in...
- 102 In section 809F (remittance basis: effect on what is chargeable),...
- 103 In section 809G (claim for remittance basis: effect on allowances...
- 104 In section 809K (introduction to rules on remittance of income...
- 105 In section 809VK (retention of funds to meet CGT liabilities),...

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- 106 (1) Section 809YD (chargeable gains accruing on sales of exempt...  
 107 In section 809Z7 (meaning of “foreign income and gains” etc),...  
 108 CTA 2009  
 109 In section 2 (charge to corporation tax), omit subsection (2A)...  
 110 (1) Section 5 of CTA 2009 (territorial scope of charge...  
 111 In section 18A (exemption for profits or losses of foreign...  
 112 (1) Section 19 (chargeable profits) is amended as follows.  
 113 CTA 2010  
 114 In section 533 (financial statements: supplementary), after  
 subsection (1) insert—...  
 115 After section 535 insert— Gains: disposals of rights or interests...  
 116 In section 547 (funds awaiting reinvestment), at the end insert—...  
 117 In section 550(3) (attribution of distributions), after “section 535”  
 insert...  
 118 (1) Section 556 (disposal of assets) is amended as follows....  
 119 In section 582 (early exit), in subsection (3)(b), for “or...  
 PART 3 — COMMENCEMENT AND TRANSITIONAL PROVISIONS ETC  
 120 (1) The amendments made by this Schedule have effect—  
 121 (1) This paragraph applies to— (a) allowable NRCGT losses accruing...  
 122 The Treasury may by regulations make any transitional provisions or...  
 123 (1) This paragraph applies where this Schedule re-enacts in TCGA...  
 124 The Treasury may by regulations make such provision as they...  
 125 (1) The Treasury may by regulations make provision, in relation...  
 126 (1) This paragraph applies to regulations made under paragraph 124...

## SCHEDULE 2 — Returns for disposals of UK land etc

### PART 1 — RETURNS AND PAYMENTS ON ACCOUNT: DISPOSALS OF UK LAND ETC

- 1 Disposals to which Schedule applies  
 2 (1) A disposal is a “direct or indirect disposal of...  
 3 Obligation to deliver a return to officer of Revenue and Customs  
 4 (1) If— (a) a person makes a disposal to which...  
 5 (1) A person is not required to make or deliver...  
 6 Obligation to make a payment on account of capital gains tax  
 7 Calculation of an amount of capital gains tax notionally chargeable  
 8 Repayments of amounts previously paid on account of capital gains tax  
 9 (1) If— (a) a person makes a disposal on which...  
 10 Collective investment schemes to which Sch.5AAA to TCGA 1992  
 applies  
 11 (1) This paragraph applies if— (a) an election under paragraph...  
 12 (1) This paragraph applies if— (a) a disposal is deemed...  
 13 Effect of s.144(2) or 144A(2)(b) of TCGA 1992 when asset sold on  
 exercise of option  
 14 Making of assumptions, reasonable estimates etc  
 15 (1) This paragraph applies if a person is required to...  
 16 Contents of return  
 17 Interpretation  
 PART 2 — NOTIFICATION OF CHARGEABLE AMOUNTS, AMENDMENTS OF  
 RETURNS, ENQUIRIES ETC  
 18 Requirement to notify HMRC of amounts chargeable to tax  
 19 Amendments of returns  
 20 Enquiries  
 21 Amendments of returns during enquiry etc



- 22 Revenue determinations
- 23 Discovery assessments
- 24 Interpretation
  - PART 3 — CONSEQUENTIAL AMENDMENTS
- 25 Amendments of TMA 1970
- 26 Amendments of other Acts
- 27 (1) Schedule 24 to FA 2007 (penalties for errors) is...
- 28 (1) Schedule 36 to FA 2008 (information and inspection powers)...
- 29 (1) Schedule 55 to FA 2009 (penalty for failure to...
- 30 (1) Schedule 56 to FA 2009 (penalty for failure to...
- 31 Late payment interest
- 32 Commencement

SCHEDULE 3 — Offshore receipts in respect of intangible property

- 1 ITTOIA 2005 is amended as follows.
- 2 (1) Section 574 (overview of Part 5) is amended as...
- 3 (1) Section 576 (priority between Chapters within Part 5) is...
- 4 After section 608 insert— CHAPTER 2A Offshore receipts in respect...
- 5 In section 873(3) (procedure for orders and regulations) before paragraph...
- 6 (1) TIOPA 2010 is amended as follows.
- 7 The amendments made by this Schedule have effect for the...
- 8 In section 608W of ITTOIA 2005 (inserted by paragraph 4...
- 9 The Treasury may by regulations make such amendments of the...
- 10 The Treasury may by regulations amend Chapter 2A of Part...
- 11 Regulations under paragraph 10 may— (a) make any provision that...
- 12 Regulations under paragraph 10 may not make provision having effect...
- 13 No regulations under paragraph 10 may be made after 31...
- 14 A statutory instrument containing (whether alone or with other provision)...

SCHEDULE 4 — Avoidance involving profit fragmentation arrangements

- 1 Introduction and overview
- 2 Profit fragmentation arrangements
- 3 Transfer of value deriving directly or indirectly from a business
- 4 The enjoyment conditions
- 5 Tax mismatch
- 6 Tax mismatch: resulting reduction and resulting increase
- 7 Adjustments required to be made in relation to arrangements
- 8 Double taxation
- 9 Reimbursement payments ignored for tax purposes
- 10 Treatment of a person who is a member of a partnership
- 11 Other defined terms
- 12 Commencement

SCHEDULE 5 — Non-UK resident companies carrying on UK property businesses etc

PART 1 — EXTENSION OF SCOPE OF CHARGE

- 1 Section 5 of CTA 2009 (territorial scope of charge to...
- 2 In subsection (2) (circumstances in which non-UK resident company is...
- 3 After subsection (3) insert— (3A) A non-UK resident company which...
- 4 In subsection (4) for “(2A) and (3)” substitute “and (2A)...

- 5 At the end insert— (6) In this Part “other UK...
- PART 2 — SUPPLEMENTARY & CONSEQUENTIAL AMENDMENTS
- 6 FA 1998
- 7 FA 2004
- 8 ITTOIA 2005
- 9 ITA 2007
- 10 CTA 2009
- 11 In section 3 (exclusion of charge to income tax) in...
- 12 In section 18A (exemption for profits or losses of foreign...
- 13 In section 19 (chargeable profits) for subsection (2A) substitute—
- 14 In section 289 (effect of company starting or ceasing to...
- 15 (1) Section 301 (calculation of non-trading profits and deficits from...
- 16 In section 333 (company with loan relationship ceasing to be...
- 17 (1) Section 334 (non-UK resident company ceasing to hold loan...
- 18 In section 574 (non-trading credits and debits to be brought...
- 19 In section 609 (company with derivative contract ceasing to be...
- 20 (1) Section 610 (non-UK resident company ceasing to hold derivative...
- 21 (1) Section 697 (derivative contracts with non-UK residents:  
exceptions) is...
- 22 In section 746 (“non-trading credits” and “non-trading debits”) in  
subsection...
- 23 (1) Section 792 (reallocation of charge within group) is amended...
- 24 (1) Section 793 (further requirements about elections under  
section 792)...
- 25 After section 793 insert— Effect of election under section 792...
- 26 In section 795 (recovery of charge from another group company...
- 27 In section 863 (asset becoming chargeable intangible asset), in  
subsection...
- 28 CTA 2010
- 29 (1) Section 9 (non-UK resident company preparing return of accounts...
- 30 In section 107 (group relief: restriction on losses etc surrenderable...
- 31 In section 188BI (group relief for carried-forward losses: restriction  
on...
- 32 TIOPA 2010
- 33 (1) Section 415 (qualifying net group-interest expense: interpretation) is  
amended...
- 34 In section 438 (exemption for interest payable to third parties...
- PART 3 — COMMENCEMENT AND TRANSITIONAL PROVISIONS
- 35 Commencement
- 36 Transitional provisions
- 37 (1) This paragraph applies if— (a) in a tax year...
- 38 (1) This paragraph applies if— (a) in the tax year...
- 39 (1) This paragraph applies if— (a) on or after the...
- 40 (1) This paragraph applies for an accounting period (“the loss...
- 41 (1) This paragraph applies for an accounting period (“the relevant...
- 42 (1) Where— (a) before the commencement date a company is...
- 43 (1) This paragraph applies if— (a) an amount representing a...
- 44 (1) This paragraph applies if— (a) before 1 January 2015...
- 45 (1) This paragraph applies if on the commencement date—
- 46 (1) An election under section 792 of CTA 2009 (reallocation...
- 47 (1) This paragraph applies if— (a) before the commencement date...
- 48 Where on the commencement date— (a) a non-UK resident company...
- 49 (1) This paragraph applies if on or after 29 October...

50 (1) This paragraph applies if— (a) a company enters into...

SCHEDULE 6 — Diverted profits tax

- 1 Introduction
- 2 Calculation of taxable diverted profits
- 3 In section 83 (section 80 or 81 cases where no...
- 4 In section 84 (section 80 or 81: calculation of profits...
- 5 (1) Section 85 (section 80 or 81: calculation of profits...
- 6 (1) Section 88 (calculation of taxable diverted profits in section...
- 7 After section 111 insert— Adjustment required to be made to...
- 8 The amendments made by paragraphs 2 to 7 have effect...
- 9 Extension of period for issuing a preliminary notice
- 10 Relief from corporation tax
- 11 Extension of the review period
- 12 Extension of period for amendment of company tax return

SCHEDULE 7 — Payment of CGT exit charges

- 1 CGT exit charge payment plans
- 2 After Schedule 3ZA to TMA 1970 insert— SCHEDULE 3ZAA CGT...
- 3 Penalties
- 4 In section 107A of TMA 1970 (relevant trustees), in subsection...
- 5 In paragraph 5(3) of Schedule 11 to F(No.3)A 2010 (penalties...
- 6 CT exit charge payment plans
- 7 Commencement

SCHEDULE 8 — Corporation tax exit charges

PART 1 — CT EXIT CHARGE PAYMENT PLANS

- 1 Schedule 3ZB to TMA 1970 (CT exit charge payment plans)...
- 2 In paragraph 1 (circumstances in which plan may be entered...
- 3 (1) Paragraph 4 (circumstances in which plan may be entered...
- 4 In paragraph 8(1) (entering into a plan)—
- 5 (1) Paragraph 10 (contents of plan) is amended as follows....
- 6 For paragraphs 11 to 17, and the italic heading before...
- 7 In Schedule 56 to FA 2009 (penalty for failure to...
- 8 The amendments made by paragraphs 1 to 6 have effect...

PART 2 — REPEAL OF CERTAIN POSTPONEMENT PROVISIONS

- 9 (1) Section 187 of TCGA 1992 (postponement of charge on...
- 10 (1) Sections 860 to 862 of CTA 2009 (postponement of...

PART 3 — TREATMENT OF ASSETS SUBJECT TO EU EXIT CHARGES

- 11 (1) After section 184I of TCGA 1992 insert— Assets subject...
- 12 (1) Part 8 of CTA 2009 (intangible fixed assets) is...

SCHEDULE 9 — Intangible fixed assets: restrictions on goodwill and certain other assets

- 1 Part 8 of CTA 2009 (intangible fixed assets) is amended...
- 2 In section 711 (overview of Part) in subsection (8) after...
- 3 In section 715 (application of Part to goodwill) in subsection...
- 4 In section 746 (“non-trading credits” and “non-trading debits”) in subsection...
- 5 Omit section 816A (restrictions on goodwill and certain other assets)....
- 6 After section 879 insert— CHAPTER 15A Debits in respect of...
- 7 (1) The amendments made by this Schedule have effect in...

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#### SCHEDULE 10 — Corporation tax relief for carried-forward losses

- 1 Restrictions on deductions from profits
- 2 In section 188DD (group relief for carried-forward losses: claimant company's...)
- 3 In section 188ED (group relief for carried-forward losses: claimant company's...)
- 4 In section 269ZB (restriction on deductions from trading profits) in...
- 5 In section 269ZC (restriction on deductions from non-trading profits) in...
- 6 (1) Section 269ZD (restriction on deductions from total profits) is...
- 7 Omit section 269ZE (restriction on deductions from total profits: insurance...)
- 8 After section 269ZF insert— “Relevant profits” (1) A company’s “relevant profits” for an accounting period are—...
- 9 After section 269ZFA (as inserted by paragraph 8) insert—  
Modifications...
- 10 In section 269ZJ (exclusion of shock losses from restrictions) omit...
- 11 In section 269ZQ (power to amend) in subsection (2)(b) for...
- 12 In section 269ZV (group allowance allocation statement: requirements and effects)...
- 13 In section 269CC (restrictions on deductions by banking companies: management...)
- 14 In section 269CN (restrictions on deductions by banking companies: definitions)...
- 15 In section 304(7) (certain deductions in respect of losses made...)
- 16 FA 2012 is amended as follows.
- 17 In section 124 (carry forward of pre-1 April 2017 BLAGAB...)
- 18 In section 124A (carry forward of post-1 April 2017 BLAGAB...)
- 19 In section 124C (further carry forward against subsequent profits of...)
- 20 Omit sections 124D and 124E (restriction on deductions from BLAGAB...)
- 21 Terminal losses: straddling periods
- 22 Group relief for carried-forward losses
- 23 In section 188BG(3) (types of loss that may not be...)
- 24 (1) Section 188DD (claimant company’s relevant maximum for overlapping period...)
- 25 (1) Section 188ED (claimant company’s relevant maximum for overlapping period...)
- 26 Transferred trades
- 27 In section 357JI (Northern Ireland losses: transfers of trade without...)
- 28 In section 676 (disallowance of trading loss on change in...)
- 29 In section 676AF (restriction on use of carried-forward post-1 April...)
- 30 In section 676BC (disallowance of relief for trade losses)—
- 31 Deduction buying
- 32 Commencement

#### SCHEDULE 11 — Corporate interest restriction

- 1 Introductory
- 2 Tax-interest amounts: amounts capitalised in intangible fixed assets
- 3 Carry forward of interest allowance: new holding company
- 4 Carry forward of excess debt cap: new holding company
- 5 Adjusted net group-interest expense: capitalised interest
- 6 (1) Section 413 (adjusted net group-interest expense) is amended as...

- 7 (1) Section 423 (capitalised interest brought into account for tax...
- 8 Adjusted net group-interest expense: impairment debts and credits and connected companies
- 9 Interest allowance (alternative calculation) election: unpaid employees' remuneration
- 10 Interest allowance (alternative calculation) election: changes in accounting policy
- 11 Interest allowance (non-consolidated investment) election
- 12 Public infrastructure
- 13 In section 439 (exemption in respect of certain pre-13 May...
- 14 Real Estate Investment Trusts
- 15 Interest restriction returns
- 16 In paragraph 7(5) of Schedule 7A (meaning of "the filing...
- 17 (1) In paragraph 7 of Schedule 7A (submission of interest...
- 18 In paragraph 20 of Schedule 7A (required contents of interest...
- 19 Consequential amendments
- 20 In section 494(1) (other interpretation), after "interest restriction return" insert—...
- 21 In Part 7 of Schedule 11 (index of defined expressions...
- 22 Commencement
- 23 The amendments made by paragraphs 3 and 4 have effect...
- 24 Part 10 of TIOPA 2010 has effect, and is to...
- 25 The amendment made by paragraph 17 has effect where the...
- 26 The amendment made by paragraph 18 has effect in relation...
- 27 Transitional provision in case of interest allowance (alternative calculation) elections

SCHEDULE 12 — Eliminating tax mismatch for certain debt

- 1 Loan relationships with qualifying link
- 2 In section 465B of CTA 2009 (meaning of "tax-adjusted carrying...
- 3 Commencement and transitional provisions
- 4 (1) This paragraph applies in relation to an accounting period...
- 5 Power to amend section 352B of CTA 2009

SCHEDULE 13 — Annual investment allowance: periods straddling 1 January 2019 or 1 January 2021

- 1 Chargeable periods which straddle 1 January 2019
- 2 Chargeable periods which straddle 1 January 2021
- 3 Operation of annual investment allowance where restrictions apply

SCHEDULE 14 — Leases: changes to accounting standards etc

PART 1 — FINANCE LEASES: AMENDMENTS AS A RESULT OF CHANGES TO ACCOUNTING STANDARDS

- 1 (1) Part 2 of CAA 2001 (plant and machinery allowances)...
- 2 (1) ITTOIA 2005 is amended as follows.
- 3 In section 809BZN of ITA 2007 (finance arrangements: exceptions), after...
- 4 (1) CTA 2010 is amended as follows.
- 5 In section 494 of TIOPA 2010 (corporate interest restriction: other...
- 6 Commencement

PART 2 — LONG FUNDING LEASES

- 7 Amendments to Part 2 of CAA 2001
- 8 Meaning of "short lease"

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

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- 9 The lease payments test: interest rate implicit in lease
- 10 Commencement
  - PART 3 — CHANGES TO ACCOUNTING STANDARDS AND TAX ADJUSTMENTS
- 11 Repeal of section 53 of FA 2011
- 12 Transitional provisions following repeal of section 53 of FA 2011: introductory
- 13 Cases where asset first recognised for period of account beginning on or after 1 January 2019
- 14 Cases where asset first recognised for an earlier period of account
- 15 Certain cases where there is a transfer of a lease
- 16 Cases where lessee permanently ceases to carry on activities
- 17 Application of paragraphs 12 to 16 to lease portfolios
- 18 Corporate interest restriction: changes of accounting policy
- 19 Corporate interest restriction: treatment of certain adjustments
  
- SCHEDULE 15 — Oil activities: transferable tax history
  - PART 1 — ELECTION TO TRANSFER TAX HISTORY
  - 1 Entitlement to make a TTH election
  - 2 (1) On or after the licence transfer date, the seller...
    - PART 2 — THE TOTAL TTH AMOUNT
  - 3 The total TTH amount
  - 4 Limits on total TTH amount
  - 5 The “uplifted decommissioning costs estimate”
  - 6 (1) The “net cost amount” is the appropriate DSA estimate...
  - 7 The “transferred proportion” of the net cost amount is the...
  - 8 In paragraph 5(b), the “relevant proportion” means—
  - 9 (1) To adjust the allocated amount for the purposes of...
  - 10 (1) A “decommissioning security agreement” is an agreement entered into...
  - 11 Consecutive accounting periods
  - 12 The transferred profits amount
  - 13 “Eligible ring fence profits”
  - 14 In determining, for the purposes of this Schedule, the amount...
    - PART 3 — EFFECT OF A TTH ELECTION ON THE SELLER
  - 15 Application of this Part
  - 16 Effect of a TTH election: corporation tax
  - 17 The transferred profits amount for an accounting period is to...
  - 18 (1) Paragraphs 16 and 17 are subject to this paragraph....
  - 19 Effect of a TTH election: supplementary charge
  - 20 (1) The transferred adjusted ring fence profits amount for the...
  - 21 (1) For the purposes of the application of any provision...
  - 22 (1) For the purposes of paragraphs 20(2) and 21(1)—
    - PART 4 — EFFECT OF A TTH ELECTION ON THE PURCHASER
  - 23 Application of this Part
  - 24 In paragraph 23(d)(ii), “decommissioning loss” means a loss in respect...
  - 25 Effect of trade loss relief provisions
  - 26 Repayment of supplementary charge
  - 27 (1) In this Schedule, references to the transferred adjusted ring...
  - 28 Supplementary provision: repayment and enquiries
  - 29 (1) An enquiry under Part 4 of Schedule 18 to...
  - 30 TTH activation event
    - PART 5 — TTH ACTIVATION

- 31 Decommissioning expenditure amount
- 32 (1) The “special allowance amount” for an accounting period is...
- 33 (1) The “post-cessation expenditure amount” for an accounting period is...
- 34 (1) The “restoration expenditure amount” for an accounting period is...
- 35 For the purposes of paragraphs 32(2), 33(2) and 34(2), expenditure...
  - PART 6 — ALLOCATION OF ACTIVATED TTH AMOUNT
- 36 Application of this Part
- 37 In this Schedule— (a) “first activation period” means the first...
- 38 “Total activated TTH amount”
- 39 The “total activated TTH amount” held by the purchaser for...
- 40 (1) This paragraph applies if, in relation to a post-activation...
- 41 (1) This paragraph applies if, in relation to a post-activation...
- 42 If neither paragraph 40 nor paragraph 41 applies in relation...
- 43 Allocation of activated TTH to an accounting period
- 44 The total activated TTH amount for a loss period is...
- 45 Transferred profits amount for a pre-acquisition accounting period
- 46 “Unused transferred profits amount”
- 47 “Available activated TTH amount”
- 48 “Closing balance of activated TTH”
- 49 “Closing balance of the total TTH amount”
  - PART 7 — SUPPLEMENTARY CHARGE: RECALCULATION OF ADJUSTED RING FENCE PROFITS
- 50 Recalculation: steps
- 51 “Reduced ARFP amount”
- 52 (1) This paragraph (instead of paragraph 51) applies if the...
- 53 “Activated ARFP amount”
- 54 “ARFP uplift amount”
- 55 “Adjusted finance cost amount”
  - PART 8 — TTH ELECTIONS: CONDITIONS AND PROCEDURE
- 56 Election conditions: associated companies
- 57 Election conditions: decommissioning relief agreements
- 58 Timing of election
- 59 Content
- 60 Timing of an enquiry: cases where the corporate restructuring condition is met
  - PART 9 — TTH ELECTIONS: APPROVAL
- 61 Approval notice
- 62 Deemed approval
- 63 Conditions of approval
- 64 Profit tracking requirements
- 65 (1) For the purposes of determining the tracked profit or...
- 66 Senior tracking officers
- 67 (1) The purchaser’s “senior tracking officer” is the officer of...
- 68 (1) The senior tracking officer is liable to a penalty...
- 69 (1) Where a senior tracking officer, or the purchaser, becomes...
- 70 (1) A penalty under paragraph 68 must be paid—
  - PART 10 — TTH ELECTIONS: EFFECTIVE DATE AND WITHDRAWAL
- 71 Effective date of a TTH election
- 72 Withdrawal of a TTH election by an officer of Revenue and Customs
  - PART 11 — TTH ELECTIONS: INACCURACIES
- 73 Penalties for errors
- 74 Amendment of TTH election: amounts discovered to be incorrect

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- 75 (1) This paragraph applies if, before the correction under paragraph...  
PART 12 — CHARGEABLE GAINS
- 76 Transferred tax history is not to be regarded as an asset
- 77 Consideration for transferred tax history to be treated as consideration for the licence interest
- 78 Market value of the licence interest: value of transferred tax history to be taken into account
- 79 Licence swaps: references to disposal include references to transfer of tax history
- 80 Interpretation of this Part  
PART 13 — ONWARD SALE
- 81 Application of paragraphs 83 to 90
- 82 (1) Sub-paragraph (2) applies if— (a) the first purchaser has...
- 83 Original TTH amount treated as eligible ring fence profits
- 84 The original TTH amount for each relevant accounting period ceases...
- 85 Original TTH amount transferred before eligible ring fence profits (subject to opt-out)
- 86 (1) The total TTH amount may not include an amount...
- 87 In the application of this Schedule for the purposes of...
- 88 Opt-out under paragraph 85(2): further provision about the application of this Schedule
- 89 Supplementary charge: treatment of transferred adjusted ring fence profits
- 90 Tracking
- 91 Sale by the second purchaser or subsequent sale  
PART 14 — SUPPLEMENTARY
- 92 Multiple interests in the same oil field
- 93 Multiple TTH elections
- 94 Appeals
- 95 Anti-avoidance
- 96 (1) If relief is given to a person under the...  
PART 15 — INTERPRETATION
- 97 Introductory
- 98 Expressions used in this Schedule that are defined for the...
- 99 “UK oil licence”
- 100 “Licensed area” and “transferred oil field”
- 101 “Licence transfer date”
- 102 The seller’s “reference accounting period”
- 103 The purchaser’s “reference accounting period”
- 104 The seller’s “pre-transfer accounting periods”
- 105 The purchaser’s “pre-acquisition accounting periods” and “post-acquisition accounting periods”
- 106 Accounting periods before the purchaser comes within the charge to corporation tax
- 107 “Transferred profits amount” and “activated transferred profits amount”
- 108 “Trade loss relief provisions”
- SCHEDULE 16 — Entrepreneurs’ relief
- 1 Periods throughout which conditions for relief must be met
- 2 Additional requirements relating to the beneficial ownership of companies
- 3 Relief where company ceases to be individual’s personal company
- 4 Commencement



SCHEDULE 17 — VAT treatment of vouchers

- 1 VATA 1994 is amended as follows.
- 2 In section 51B— (a) in the heading, at the end...
- 3 After section 51B insert— Vouchers issued on or after 1...
- 4 In the heading to Schedule 10A, at the end insert...
- 5 After Schedule 10A insert— SCHEDULE 10B VAT treatment of vouchers...
- 6 In regulation 38ZA(2) of the Value Added Tax Regulations 1995...

SCHEDULE 18 — VAT groups: eligibility

PART 1 — ELIGIBILITY OF INDIVIDUALS AND PARTNERSHIPS

- 1 (1) Section 43A of VATA 1994 (groups: eligibility) is amended...
- 2 In that Act, after section 43A insert— Section 43A: control...

PART 2 — CONSEQUENTIAL AMENDMENTS

- 3 VATA 1994
- 4 In section 18A (fiscal warehousing), in subsection (9), for “body...
- 5 (1) Section 43 (groups of companies) is amended in accordance...
- 6 In section 43AA (power to alter eligibility for grouping), in...
- 7 (1) Section 43B (groups: applications) is amended in accordance with...
- 8 (1) Section 43C (groups: termination of membership) is amended in...
- 9 (1) Section 43D (groups: duplication) is amended in accordance with...
- 10 In section 44 (supplies to groups), in subsection (1)(a) and...
- 11 In section 53 (tour operators), in subsection (2)(d), for “body...
- 12 In section 97 (orders, rules and regulations), in subsection (4)(ca),...
- 13 (1) Schedule 9 (exemptions) is amended in accordance with this...
- 14 (1) Schedule 9A (anti-avoidance provisions: groups) is amended in accordance...
- 15 (1) Schedule 10 (buildings and land) is amended in accordance...

SCHEDULE 19 — Gaming duty

- 1 Accounting periods
- 2 (1) Paragraph 9 of Schedule 1 to FA 1997 (accounting...
- 3 In paragraph 11(2) of Schedule 1 to FA 1997 (regulations),...
- 4 Carrying forward of losses
- 5 Removal of obligation to make payments on account
- 6 (1) The Gaming Duty Regulations 1997 (S.I. 1997/2196) are amended...
- 7 Commencement
- 8 (1) Where there is an agreement under paragraph 9(1) of...

SCHEDULE 20 — Taxation of hybrid capital instruments

PART 1 — REVOCATION OF SPECIAL RULES FOR REGULATORY CAPITAL SECURITIES

- 1 (1) The Taxation of Regulatory Capital Securities Regulations 2013 (S.I....

PART 2 — CORPORATION TAX, INCOME TAX AND CAPITAL GAINS TAX

- 2 Distributions in respect of hybrid capital instruments
- 3 (1) After section 475B of CTA 2009 insert— Meaning of...
- 4 In section 1015 of CTA 2010 (meaning of “special securities”)...
- 5 Loan relationships: credits and debits to be brought into account
- 6 Normal commercial loans
- 7 Consequential amendments
- 8 (1) Part 10 of TIOPA 2010 (corporate interest restriction) is...

- 9 (1) The Loan Relationships and Derivative Contracts (Disregard and Bringing...
- 10 Commencement for purposes of corporation tax
- 11 An accounting period beginning before and ending on or after...
- 12 (1) This paragraph applies in the case of a security...
- 13 (1) If there is a difference between—
- 14 (1) This paragraph applies to a transitional qualifying instrument which...
- 15 (1) This paragraph applies if— (a) regulation 3(2)(c)(i) of the...
- 16 Commencement for purposes of income tax and CGT
- 17 The revocations made by paragraph 1 have effect for the...
- 18 In so far as it relates to the definition of...
- 19 Power to amend definition of “hybrid capital instrument”  
PART 3 — STAMP DUTY AND STAMP DUTY RESERVE TAX
- 20 A transfer of a hybrid capital instrument (within the meaning...
- 21 The revocations made by paragraph 1, and the provision made...