

## SCHEDULE 1

### CROSS-BORDER TRANSFERS OF BUSINESS

**Modifications etc. (not altering text)**

- C1** Sch. 1 modified (retrospective to 29.11.2007) by [The Corporation Tax \(Implementation of the Mergers Directive\) Regulations 2008 \(S.I. 2008/1579\)](#), regs. 1(2), 4

## PART 2

### AMENDMENTS OF ICTA

13. After section 213 (exempt distributions) insert—

**“213A Exempt distributions: division of business**

(1) A reference in the Corporation Tax Acts to distributions of a company shall not apply to a distribution if—

(a) it is a distribution consisting of—

(i) the transfer of part of a business by a company (“the distributing company”) to one or more other companies (“the transferee company or companies”), and

(ii) the issue of shares by the transferee company or companies to the members of the distributing company, and

(b) the requirements of either section 140A(1A) of the 1992 Act (division of UK business) or section 140C(1A) of that Act (division of non-UK business) are satisfied in relation to the distribution.

(2) A distribution to which this section applies is an “exempt distribution” for the purposes of sections 214 to 217.

(3) The expression “relevant company” in sections 214 to 217 includes the distributing company and the transferee company or companies.”.

**Changes to legislation:**

There are currently no known outstanding effects for the The Corporation Tax (Implementation of the Mergers Directive) Regulations 2007, Paragraph 13.