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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Section 83(1) of the Finance Act 2005 (c. 7) requires securitisation companies to use UK generally accepted accounting practice as it stood at 31 December 2004 as the basis for tax computations for periods of account beginning on or after 1st January 2005 and ending before 1st January 2008. These Regulations extend the application of that provision to periods of account ending before 1st January 2017 in relation to companies to which the provision applied in a period of account ending before 1st January 2008, subject to a company electing that the extension shall not apply. The Regulations also make provision for bringing into account in the first period in which section 83(1) does not apply items not previously taken into account.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.