

Changes to legislation: There are currently no known outstanding effects for the Finance Act 1988, Paragraph 6. (See end of Document for details)

SCHEDULES

SCHEDULE 12

BUILDING SOCIETIES: CHANGE OF STATUS

Distributions

- 6 (1) Where, in connection with the transfer, qualifying benefits are conferred by the society or the successor company on members of the society, the conferring of those benefits shall not be regarded as ^{F1}...—
- (a) the making of a distribution, within the meaning of the Corporation Tax Acts;
^{F2}...
 - ^{F2}(b)
- (2) Sub-paragraph (1) above does not preclude any qualifying benefit (and, in particular, any qualifying benefit which in the hands of the recipient would, apart from that sub-paragraph, constitute income for the purposes of income tax) from being a capital distribution for the purposes of section [^{F3}122 of the Taxation of Chargeable Gains Act 1992], and in that section “distribution” shall be construed accordingly.
- (3) In this paragraph “qualifying benefits” means—
- (a) any such rights as are mentioned in paragraph 5(1)(a), (b) or (c) above, and any property obtained by the exercise of those rights;
 - (b) any shares issued or disposed of as mentioned in paragraph 5(2) above;
 - (c) any shares issued or disposed of, or to which a member becomes entitled, as mentioned in paragraph 5(3) or (4) above, and any interest in the settled property constituted by those shares;
 - (d) any payment in lieu of a qualifying benefit falling within paragraphs (a) to (c) above;
 - (e) any distribution made in pursuance of section 100(2)(b) of the ^{M1}Building Societies Act 1986.
- (4) “Member” has the same meaning in this paragraph as in paragraph 5 above.

Textual Amendments

- F1** Word in Sch. 12 para. 6(1) omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of Finance Act 2016 (c. 24), Sch. 6 para. 19(a)
- F2** Sch. 12 para. 6(1)(b) omitted (with effect in accordance with Sch. 6 para. 28 of the amending Act) by virtue of Finance Act 2016 (c. 24), Sch. 6 para. 19(b)
- F3** Words in Sch. 12 para. 6(2) substituted (6.3.1992 with effect as mentioned in s. 289 of the amending Act) by Taxation of Chargeable Gains Act 1992 (c. 12), ss. 289, 290, Sch. 10 para. 16(7) (with ss. 60, 101(1), 171, 201(3))

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1988, Paragraph 6. (See end of Document for details)*

Marginal Citations

M1 1986 c. 53.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1988, Paragraph 6.