
Changes to legislation: There are currently no known outstanding effects for the Agriculture Act 1993, Cross Heading: Transfer to successor bodies: general. (See end of Document for details)

SCHEDULES

SCHEDULE 2

PROVISIONS RELATING TO CARRYING OUT OF APPROVED SCHEME OF REORGANISATION

PART I

TAXATION PROVISIONS

Modifications etc. (not altering text)

C1 Sch. 2 Pt. I modified (retrospectively) by 1996 c. 8, s. 203(1)

Transfer to successor bodies: general

- 1 (1) The following provisions shall apply for the purposes of the Corporation Tax Acts, namely—
- (a) any trade, or part of a trade, carried on by a milk marketing board which is transferred under section 11 above to a qualifying body shall be treated as having been, at the time when it began to be carried on by the board and at all times since that time, carried on by that body;
 - (b) where any trade, or part of a trade, carried on by a milk marketing board is transferred under section 11 above to a qualifying body, the trade carried on by that body after the transfer under that section shall be treated as the same trade as that which, by virtue of paragraph (a) above, it is treated as having carried on before the transfer under that section;
 - (c) any property, rights or liabilities of a milk marketing board which are transferred under section 11 above to a qualifying body shall be treated as having been, at the time when they became vested in the board and at all times since that time, property, rights or liabilities of that body;
 - (d) anything done by a milk marketing board in relation to property, rights or liabilities of its which are transferred under section 11 above to a qualifying body shall be deemed to have been done by that body.
- (2) In its application to this paragraph, paragraph 31(1) below (definition of “qualifying body”) shall have effect with the omission of paragraph (b).
- (3) This paragraph shall have effect in relation to accounting periods beginning after the last complete accounting period of the milk marketing board ending before the date of the transfer under section 11 above.

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Modifications etc. (not altering text)

C1 Sch. 2 Pt. I para. 1 modified (retrospectively with effect as mentioned in s. 203(5) of the amending Act) by 1996 c. 8, s. 203(5)(7)

- 2 (1) The following provisions shall apply for the purposes of the Corporation Tax Acts, namely—
- (a) any trade, or part of a trade, carried on by a subsidiary of a milk marketing board which is transferred under section 11 above to a qualifying body shall be treated as having been, at the time when it began to be carried on by the subsidiary and at all times since that time, carried on by that body;
 - (b) where any trade, or part of a trade, carried on by a subsidiary of a milk marketing board is transferred under section 11 above to a qualifying body, the trade carried on by that body after the transfer under that section shall be treated as the same trade as that which, by virtue of paragraph (a) above, it is treated as having carried on before the transfer under that section;
 - (c) any property, rights or liabilities of a subsidiary of a milk marketing board which are transferred under section 11 above to a qualifying body shall be treated as having been, at the time when they became vested in the subsidiary and at all times since that time, property, rights or liabilities of that body;
 - (d) anything done by a subsidiary of a milk marketing board in relation to property, rights or liabilities of its which are transferred under section 11 above to a qualifying body shall be deemed to have been done by that body.
- (2) In its application to this paragraph, paragraph 31(1) below (definition of “qualifying body”) shall have effect with the omission of paragraph (b).
- (3) This paragraph shall have effect in relation to accounting periods beginning after the last complete accounting period of the subsidiary ending before the date of the transfer under section 11 above.
- 3 (1) This paragraph applies where—
- (a) in accordance with an approved scheme, shares in a subsidiary of the board to which the scheme relates are transferred otherwise than under section 11 above to a qualifying body (“the successor”), and
 - (b) the scheme provides—
 - (i) for free shares in the successor to be issued or transferred to persons by virtue of their being, or having been, registered producers, and
 - (ii) for the taking of steps with a view to securing the quotation of the successor on the Stock Exchange.
- (2) For the purposes of the Corporation Tax Acts—
- (a) the shares transferred to the successor shall be treated as having been, at the time when they became vested in the transferor and at all times since that time, vested in the successor; and
 - (b) anything done by the transferor in relation to the shares transferred to the successor shall be deemed to have been done by the successor.
- (3) For the purposes of sub-paragraph (1)(b)(i) above, shares are free if they are issued or transferred without any consideration being provided by the persons acquiring them, there being disregarded for this purpose any deprecatory effect of transfers under

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the scheme on the value of a right to participate in the winding up of the board to which the scheme relates.

- (4) This paragraph shall have effect in relation to accounting periods beginning after the last complete accounting period of the transferor ending before the date of the transfer to the successor.

4 (1) Where—

- (a) in accordance with an approved scheme, shares in a subsidiary of the relevant board (“the transferred company”) are transferred otherwise than under section 11 above to a qualifying body (“the successor”),
- (b) immediately after the transfer, the successor is a member of a group of which the relevant board is a member, and
- (c) the scheme provides as mentioned in paragraph 3(1)(b) above,

sections 178 and 179 of the ^{M1}Taxation of Chargeable Gains Act 1992 shall not apply on the transferred company ceasing to be a member of a group of which the relevant board is a member if, immediately after doing so, it is a member of a group of which the successor is a member.

- (2) Where by virtue of sub-paragraph (1) above sections 178 and 179 of the Taxation of Chargeable Gains Act 1992 do not apply, then, on the transferred company ceasing to be a member of a group of which the successor is a member, those sections shall apply—

- (a) as if any assets acquired by the transferred company, at any time when it was a member of a group of which the relevant board was a member, from any member of that group had been acquired by it at that time from the successor, and
- (b) as if the transferred company and the successor had at all material times been associated companies for the purposes of those sections.

- (3) In this paragraph—

“group” has the meaning given by section 170 of the Taxation of Chargeable Gains Act 1992; and

“relevant board” means the board to which the scheme relates.

Marginal Citations

M1 1992 c. 12.

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