
Changes to legislation: There are currently no known outstanding effects for the Coal Industry Act 1994, Cross Heading: Leased assets. (See end of Document for details)

SCHEDULES

SCHEDULE 4

TAXATION PROVISIONS

PART I

CORPORATION TAX

Leased assets

- 18 (1) For the purposes of section 781 of the 1988 Act (assets leased to traders and others), where the interest of the lessor or the lessee under a lease, or any other interest in an asset, vests in any person by virtue of a relevant transfer—
- (a) the transfer shall be treated as made without any capital sum having been obtained in respect of that interest by the predecessor or the transferee; and
 - (b) in a case where the interest is an interest under a lease, payments made by the predecessor under the lease before the coming into force of the transfer shall be deemed to have been made under that lease by the transferee.
- (2) Section 782 of the 1988 Act (deduction of payment under leases: special cases) shall not apply to any payments made—
- (a) under any lease granted for the purposes of the creation in accordance with a restructuring scheme of any leasehold interest, including, where effect has been given without the grant of a lease to the creation of a leasehold interest in accordance with such a scheme, any lease which for those purposes is deemed to have been granted; or
 - (b) under any lease granted by a person whose ability to grant that lease derives from the transfer to him in accordance with a restructuring scheme of the asset to which the lease relates.
- (3) In this paragraph “lease” and “asset” have the meanings given by section 785 of the 1988 Act and references to a leasehold interest are references to any such interest as may subsist under a lease.

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