Finance Act 1994

1994 CHAPTER 9

PART IV

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER II

INTEREST RATE AND CURRENCY CONTRACTS

Miscellaneous

169 Insurance and mutual trading companies.

(1) Subject to the provisions of Schedule 18 to this Act and subsection (2) below, this Chapter shall apply in relation to insurance companies and mutual trading companies as it applies in relation to other qualifying companies.

(2) The Treasury may by regulations provide that this Chapter shall have effect in relation to currency contracts held by insurance companies with such modifications as may be specified in the regulations.

(3) Regulations under subsection (2) above may make different provision as respects contracts held for different purposes or in different circumstances.

170 Investment trusts.

(1) For the purpose of determining whether a qualifying company may be approved for the purposes of section 842 of the Taxes Act 1988 (investment trusts) for any accounting period, any non-trading profits which the company is treated for the purposes of section 160 above as having for that period shall be treated as income derived from shares or securities.

(2) In this section “shares” has the same meaning as in section 842 of the Taxes Act 1988.

Status: *Point in time view as at 03/05/1994.*
Changes to legislation: *Finance Act 1994, Cross Heading: Miscellaneous is up to date with all changes known to be in force on or before 30 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

171 Charities.

(1) Section 505 of the Taxes Act 1988 (charities: general) shall have effect, in relation to any qualifying company established for charitable purposes only, as if the reference in subsection (1)(c)(ii) to any yearly interest or other annual payment included a reference to any annual profits or gains which the company is treated as receiving in any accounting period by virtue of section 130 of the [M1]Finance Act 1993 (non-trading exchange gains: charge to tax).

(2) As regards a qualifying company so established, no part of the relievable amount for any accounting period may be set off against any income which, if it had been applied for charitable purposes only, would have been exempt by virtue of section 505 of the Taxes Act 1988.

(3) In subsection (2) above "the relievable amount" has the same meaning as in section 131 of the [M2]Finance Act 1993 (relief for non-trading exchange losses).

Marginal Citations

M1 1993 c.34.

M2 1993 c.34.

172 Partnerships involving qualifying companies.

(1) Subject to the provisions of this section, this Chapter shall have effect as if qualifying partnerships were qualifying companies.

(2) A partnership is a qualifying partnership for the purposes of this section if one or more of the partners are qualifying companies.

(3) Subsections (4) to (6) below apply where—

(a) one or more of the members of a qualifying partnership are not qualifying companies, and

(b) as regards one or more qualifying contracts, one or more profits or losses accrue to the partnership for an accounting period.

(4) Two computations of the profits and losses for the period shall be made under subsection (1) of section 114 of the Taxes Act 1988 (partnerships involving companies: special rules for computing profits and losses)—

(a) one (the first computation) on the basis that the partnership is a qualifying partnership, and

(b) the other (the second computation) on the basis that the partnership is not such a partnership.

(5) The first computation shall be used for the purpose of determining, under subsection (2) of that section, the share or shares of such of the partners as are qualifying companies.

(6) The second computation shall be used for the purpose of determining, under that subsection, the share or shares of such of the partners as are not qualifying companies.

Status:
Point in time view as at 03/05/1994.

Changes to legislation:
Finance Act 1994, Cross Heading: Miscellaneous is up to date with all changes known to be in force on or before 30 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.