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**Changes to legislation:** Gas Act 1995, Cross Heading: Corporation tax is up to date with all changes known to be in force on or before 04 July 2023. 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) View outstanding changes

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## SCHEDULES

### SCHEDULE 5

#### TRANSITIONAL PROVISIONS AND SAVINGS

#### PART I

#### PUBLIC GAS SUPPLIERS' AUTHORISATIONS

##### *Corporation tax*

- 10 (1) Any shares issued to the public gas supplier by the transferee in pursuance of the scheme under paragraph 2 above shall be treated for the purposes of the Corporation Tax Acts as if they had been issued wholly in consideration of a subscription paid to the transferee (and attributable equally between those shares) of an amount equal to the difference between—
- (a) the value, on the appointed day, of the property, rights and liabilities vested in the transferee by paragraph 6 above; and
  - (b) the principal sum payable under any debentures issued to the supplier by the transferee in pursuance of the scheme.
- (2) The value required to be determined for the purposes of sub-paragraph (1)(a) above is market value, as defined in section 272 of the <sup>M1</sup>Taxation of Chargeable Gains Act 1992.
- (3) Any debenture issued to the public gas supplier by the transferee in pursuance of the scheme under paragraph 2 above shall be treated for the purposes of the Corporation Tax Acts as if it had been issued—
- (a) wholly in consideration of a loan made to the transferee of an amount equal to the principal sum payable under the debenture; and
  - (b) wholly and exclusively for the purposes of the trade or business carried on by the transferee.
- (4) For the purposes of Chapter II of Part VI of the <sup>M2</sup>Income and Corporation Taxes Act 1988 (definition of distributions), where in the case of any transfer under paragraph 6 above any consideration given or treated as given in respect of a security relating to—
- (a) any liability; or
  - (b) the use of the principal to which any liability, being a liability to interest or an equivalent liability, relates,
- would fall (apart from this sub-paragraph) to be regarded for those purposes as new consideration received by the public gas supplier, that consideration shall be treated instead, to the extent that it relates to so much of the liability as falls in consequence of the transfer to be discharged by the transferee, as if it were new consideration received by the transferee.

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**Marginal Citations**

**M1** 1992 c.12.

**M2** 1988 c.1.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 3 para. 42(1)(a)para. 42(2)(a) repealed by [2000 c. 27 Sch. 8](#)