



Finance (No. 2) Act 1997

1997 CHAPTER 58

PART III

INCOME TAX AND CORPORATION TAX

Distributions, tax credits etc on and after 2nd July 1997

22 Lloyd's underwriters.

^{F1}(1)

^{F2}(2)

(3) In subsection (4) of that section (subsection (2) applies in relation to distributions and associated tax credits notwithstanding section 11(2)(a) or 208 of the Taxes Act 1988)

^{F3}(a)

(b) the words “(and any associated tax credits)” shall cease to have effect.

(4) After that subsection there shall be inserted—

“(4A) Notwithstanding anything in section 11(2)(a) or 208 of the Taxes Act 1988, UK distributions in respect of any assets of a corporate member which are mentioned in paragraph (a) or (b) of subsection (3) above—

(a) shall be taken into account in computing profits of the corporate member for tax purposes; and

(b) shall be so taken into account under Case I of Schedule D (and not under any other Schedule or any other Case of Schedule D).

(4B) Section 231(1) of the Taxes Act 1988 (entitlement to tax credit) shall not apply where the distribution there mentioned is a distribution in respect of any asset of a corporate member's premiums trust fund.

(4C) In this section “UK distributions” means dividends or other distributions of a company resident in the United Kingdom.”

Changes to legislation: *There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Section 22. (See end of Document for details)*

^{F4}(5)

(6) In section 231(1) of the Taxes Act 1988 (recipient of distribution made by UK resident company entitled to tax credit subject to sections 247 and 441A) after “441A,” there shall be inserted “ section 171(2B) of the Finance Act 1993 and section 219(4B) of the Finance Act 1994, ”.

(7) This section has effect in relation to distributions made on or after 2nd July 1997.

Textual Amendments

- F1** S. 22(1) omitted (15.9.2016) (with effect in accordance with Sch. 1 para. 73 of the amending Act) by virtue of [Finance Act 2016 \(c. 24\)](#), [Sch. 1 para. 57\(2\)](#)
- F2** S. 22(2) omitted (21.7.2009) (with effect in accordance with Sch. 14 para. 31 of the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 14 para. 30\(a\)](#)
- F3** S. 22(3)(a) omitted (21.7.2009) (with effect in accordance with Sch. 14 para. 31 of the amending Act) by virtue of [Finance Act 2009 \(c. 10\)](#), [Sch. 14 para. 30\(a\)](#)
- F4** S. 22(5) repealed (6.4.2005) by [Income Tax \(Trading and Other Income\) Act 2005 \(c. 5\)](#), s. 883(1), [Sch. 3](#) (with [Sch. 2](#))

Changes to legislation:

There are currently no known outstanding effects for the Finance (No. 2) Act 1997, Section 22.