

# SCHEDULES

## SCHEDULE 25

### LOAN RELATIONSHIPS

#### PART 1

#### AMENDMENTS OF THE FINANCE ACT 1996

##### *Continuity of treatment: groups etc*

29 (1) Paragraph 12 of Schedule 9 is amended as follows.

(2) After sub-paragraph (2) insert—

“(2A) This paragraph does not apply where the transferor company uses an authorised mark to market basis of accounting as respects the loan relationship, but in any such case—

- (a) the amount to be brought into account by the transferee company in respect of the transaction, the result of the series of transactions, or the transfer must be the fair value of the asset, or of the rights under or interest in the asset, as at the date on which the transferee company becomes party to the loan relationship; and
- (b) paragraph (b) of sub-paragraph (2) above shall have effect for the purposes of section 90 of this Act (changes of accounting method).”.