

Status: Point in time view as at 06/04/2007.

Changes to legislation: There are currently no known outstanding effects for the Finance Act 2005, SCHEDULE 2. (See end of Document for details)

SCHEDULES

SCHEDULE 2

Section 55

ALTERNATIVE FINANCE ARRANGEMENTS: FURTHER PROVISIONS

Interpretation of Schedule

- 1 In this Schedule, “relevant arrangements” means—
- (a) arrangements falling within section 47 under which the person referred to in that section as Y is a financial institution, or
 - (b) arrangements falling within section 49 [^{F1}or 49A].

Textual Amendments

- F1** Words in Sch. 2 para. 1(b) inserted (19.7.2006) by [Finance Act 2006 \(c. 25\)](#), s. **95(8)**

Taxes Management Act 1970 (c. 9)

- 2 In sections 17 and 18 of TMA 1970 (interest paid etc. without deduction of income tax), references to interest include references to alternative finance return or profit share return.

Income and Corporation Taxes Act 1988 (c. 1)

^{F23}

Textual Amendments

- F2** [Sch. 2 para. 3](#) repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 602\(2\)](#), [Sch. 3 Pt. 1](#) (with [Sch. 2](#))

^{F34}

Textual Amendments

- F3** [Sch. 2 para. 4](#) omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Authorised Investment Funds \(Tax\) Regulations 2006 \(S.I. 2006/964\)](#), regs. 1(1), **92(2)**

^{F45}

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Textual Amendments

- F4** Sch. 2 para. 5 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), Sch. 1 para. 602(2), [Sch. 3 Pt. 1](#) (with Sch. 2)

^{F5}6

Textual Amendments

- F5** Sch. 2 para. 6 repealed (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), Sch. 1 para. 602(2), [Sch. 3 Pt. 1](#) (with Sch. 2)

- 7 In section 582 of ICTA (funding bonds) references to interest include references to alternative finance return or profit share return.
- 8 Section 787 of ICTA (restriction of relief for payments of interest) has effect in relation to alternative finance return or profit share return as it has effect in relation to interest.

Finance Act 1996 (c. 8)

- 9 In paragraph 8(2)(a) of Schedule 10 to FA 1996 (loan relationships: collective investment schemes), the reference to money placed at interest includes a reference to money invested under relevant arrangements.

Income Tax (Trading and Other Income) Act 2005 (c. 5)

- 10 In section 380 of ITTOIA 2005 (funding bonds), references to interest include references to alternative finance return or profit share return.

[^{F6}Income Tax Act 2007

Textual Amendments

- F6** Sch. 2 paras. 11-13 and cross-heading inserted (6.4.2007) by [Income Tax Act 2007 \(c. 3\)](#), s. 1034(1), [Sch. 1 para. 602\(3\)](#) (with Sch. 2)

- 11 Chapter 2 of Part 15 of ITA 2007 (deduction of income tax at source: deduction by deposit-takers and building societies) (and Chapter 19 of that Part so far as it has effect for the purposes of Chapter 2) have effect as if—
- (a) relevant arrangements were a deposit,
 - (b) for the purposes of section 866(2)(a) of that Act, relevant arrangements were a deposit consisting of a loan, and
 - (c) alternative finance return or profit share return payable under relevant arrangements were interest.
- 12 Chapters 3 to 5 of Part 15 of ITA 2007 (and Chapter 19 of that Part so far as it has effect for the purposes of those Chapters) have effect in relation to alternative finance return or profit share return as they have effect in relation to interest.
- 13 In Chapter 12 of Part 15 of ITA 2007 (funding bonds) references to interest include references to alternative finance return or profit share return.]

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