

*These notes refer to the Corporation Tax Act 2009
(c.4) which received Royal Assent on 26 March 2009*

CORPORATION TAX ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 5: Loan Relationships

Overview

Chapter 11: Other special kinds of company

Overview

Section 396: Venture capital trusts: profits or losses of a capital nature

1207. This section excludes profits and losses of a capital nature on loan relationships from being taken into account by a venture capital trust. It is based on paragraphs 1B and 9(1) of Schedule 10 to FA 1996 and the [Investment Trusts and Venture Capital Trusts \(Definition of Capital Profits, Gains or Losses\) Order 2006 \(SI 2006/1182\)](#). Before FA 1996 venture capital trusts were treated as exempt from tax on profits arising from the disposal of investments and that position was preserved in the loan relationships regime.
1208. *Subsections (2) and (3)* rewrite article 3 of [SI 2006/1182](#) rather than referring to the SI as does paragraph 1B(3).
1209. *Subsection (5)* allows orders to be made for “such incidental, supplemental, consequential and transitional provision and savings”. This is the standard formulation in this Act for the additional amendments that can be introduced under an order and regulation-making power. It is not considered a change in the law.