



Corporation Tax Act 2009

2009 CHAPTER 4

PART 5

LOAN RELATIONSHIPS

CHAPTER 3

THE CREDITS AND DEBITS TO BE BROUGHT INTO ACCOUNT: GENERAL

Adjustments on change of accounting policy

317 Carrying value

- (1) In section 316 “carrying value” means the carrying value of the asset or liability recognised for accounting purposes, except as provided in subsection (4).
- (2) For the purposes of this section the “carrying value” of an asset or liability includes amounts recognised for accounting purposes in relation to the loan relationship in respect of—
 - (a) accrued amounts,
 - (b) amounts paid or received in advance, or
 - (c) impairment losses (including provisions for bad or doubtful debts).
- (3) For the meaning of “impairment loss” see section 476(1).
- (4) In determining the profits and losses to be recognised in determining the carrying value of the asset or liability for the purposes of this section, the provisions specified in subsection (5) apply as they apply for the purposes of determining the credits and debits to be brought into account under this Part.
- (5) Those provisions are—
 - (a) sections 340 and 341 (continuity of treatment on group transfers and transfers of insurance business),

Status: Point in time view as at 01/04/2009. This version of this provision has been superseded.

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- (b) section 349(2) (application of amortised cost basis of accounting to connected companies relationships),
- (c) section 354 (exclusion of debits for impaired or released connected companies debts),
- (d) section 360 (exclusion of credits on reversal of impairments of connected companies debts),
- (e) sections 361 to 363 (deemed debt releases on impaired debts becoming held by connected company),
- (f) Chapter 8 (connected parties relationships: late interest),
- (g) sections 399 and 400 (treatment of index-linked gilt-edged securities),
- (h) section 404 (restriction on deductions etc relating to FOTRA securities),
- (i) sections 409 to 412 (deeply discounted securities of close companies),
- (j) section 415(2) (loan relationships with embedded derivatives),
- (k) sections 422 and 423 (transfer of loan relationships on European cross-border transfers of business),
- (l) sections 433 and 434 (transfer of loan relationships on European cross-border mergers),
- (m) section 454(4) (accounting method where rate of interest is reset),
- (n) section 465 (exclusion of distributions except in tax avoidance cases),
- (o) paragraph 62 of Schedule 2 (disregard of pre-2005 disallowed debits), and
- (p) paragraph 69 of Schedule 2 (5½% Treasury Stock 2008-2012 not redeemed before 6 April 2009).

Status:

Point in time view as at 01/04/2009. This version of this provision has been superseded.

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