



Corporation Tax Act 2009

2009 CHAPTER 4

PART 5

LOAN RELATIONSHIPS

CHAPTER 4

CONTINUITY OF TREATMENT ON TRANSFERS WITHIN GROUPS OR ON REORGANISATIONS

Continuity of treatment: transfer of loan at notional carrying value

342 Issues of new securities on reorganisations: disposal at notional carrying value

- (1) This section applies in the case mentioned in section 339.
- (2) For the purposes of this Part such debits and credits are to be brought into account as would be brought into account if the exchange were a disposal of the asset representing the loan relationship referred to in section 339(3) for consideration of an amount equal to its notional carrying value.
- (3) For the purposes of this section, the notional carrying value of that asset is the amount that would have been [^{F1}its tax-adjusted carrying value based on] the accounts of the receiving company if a period of account had ended immediately before the date when the exchange occurred.
- (4) In this section—
^{F2}
...
“receiving company” has the meaning given in section 339(7).
- (5) This section is subject to section 343.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to Corporation Tax Act 2009. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

Textual Amendments

- F1** Words in s. 342(3) substituted (with effect in accordance with Sch. 7 Pt. 6 of the amending Act) by [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 7 para. 26(2)**
- F2** Words in s. 342(4) omitted (with effect in accordance with Sch. 7 Pt. 6 of the amending Act) by virtue of [Finance \(No. 2\) Act 2015 \(c. 33\)](#), **Sch. 7 para. 26(3)**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Blanket amendment words substituted by [S.I. 2011/1043 art. 34](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 322(2A)(zb) inserted by [2016 c. 24 s. 73\(5\)](#)
- s. 934(1A)(1B) inserted by [2023 c. 30 Sch. 2 para. 12\(2\)](#)
- s. 962(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(5\)\(b\)](#)
- s. 962A(3A) inserted by [2023 c. 30 Sch. 2 para. 12\(6\)\(b\)](#)
- s. 963(1A) inserted by [2023 c. 30 Sch. 2 para. 12\(7\)\(a\)](#)
- s. 1058B(5)(ea) inserted by [2023 c. 20 Sch. para. 57](#)
- s. 1094(2A)-(2C) inserted by [2012 c. 14 Sch. 3 para. 13\(3\)](#)
- s. 1106(4A)-(4C) inserted by [2012 c. 14 Sch. 3 para. 14\(3\)](#)
- s. 1138A applied by [S.I. 2024/348 reg. 3](#)