Corporation Tax Act 2009

2009 CHAPTER 4

PART 6

RELATIONSHIPS TREATED AS LOAN RELATIONSHIPS ETC

CHAPTER 4

BUILDING SOCIETIES

498 Building society dividends and interest

(1) This section deals with how building society dividends and interest are dealt with for corporation tax purposes.

(2) Liability to pay building society interest or building society dividends is treated for the purposes of Part 5 as a liability arising under a loan relationship (so far as it would not otherwise be such a liability).

(3) If building society interest or building society dividends are payable to a company, they are treated as so payable as the result of a right arising under a loan relationship of the company (so far as they would not otherwise be so payable).

(4) Subsection (3) applies to interest paid under a certified SAYE savings arrangement with a building society as if it were a dividend on a share in the society.

(5) In this section—

"building society dividends" means dividends payable in respect of shares in a building society,

"building society interest" means interest payable in respect of shares in, deposits with, or loans to, a building society,

"certified SAYE savings arrangement" has the meaning given by section 703 of ITTOIA 2005, and

"dividend" includes any distribution, however described.

Changes to legislation: *Corporation Tax Act 2009, Section 498 is up to date with all changes known to be in force on or before 23 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Modifications etc. (not altering text)

C1 S. 498 definition excluded (1.3.2013) by The Building Societies (Core Capital Deferred Shares) Regulations 2013 (S.I. 2013/460), regs. 1(1), **3(1)(e)** (with reg. 1(2))

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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. 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)