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*Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2010, Cross Heading: Financing. (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 2

#### SUPPLEMENTARY CHARGE TO VAT

##### PART 1

#### SUPPLEMENTARY CHARGE TO VAT

##### *Financing*

- 7 (1) This paragraph applies for the purposes of condition C in paragraphs 2 and 3.
- (2) A payment is financed by a person if, directly or indirectly, the person—
- (a) provides funds to enable the person to whom the supply is made to make the whole or part of the payment (whether the funds are provided before or after the payment is made),
  - (b) procures the provision of such funds by another person,
  - (c) provides funds for discharging (in whole or in part) any liability that has been or may be incurred by any person for or in connection with raising funds to enable the person to whom the supply is made to make the payment, or
  - (d) procures that any such liability is or will be discharged (in whole or in part) by another person.
- (3) In sub-paragraph (2) the references to providing funds for a purpose are to—
- (a) making a loan of funds that are or are to be used for that purpose,
  - (b) providing a guarantee or other security in relation to such a loan,
  - (c) providing consideration for the issue of shares or other securities issued wholly or partly for raising those funds,
  - (d) providing consideration for the acquisition by any person of any such shares or securities, or
  - (e) any other transfer of assets or value as a consequence of which any of those funds are made available for that purpose.

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